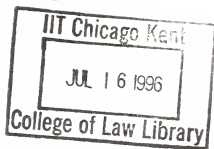


Rte. to: Scott Livingston

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1996

Illinois Register

Rules of Governmental Agencies

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Secretary of State

PROPOSED RULES

AGRICULTURE, DEPARTMENT OF	
Animal Diagnostic Laboratory Act	8 Ill. Adm. Code 1108746
Bovine Brucellosis	8 Ill. Adm. Code 75 .....8752
Diseased Animals	8 Ill. Adm. Code 85 .....8759
Equine Infectious Anemia Control	8 Ill. Adm. Code 116 .....8773
Illinois Pseudorabies Control Act	8 Ill. Adm. Code 115 .....8777
Livestock Auction Markets	8 Ill. Adm. Code 40 .....8790
Livestock Dealer Licensing	68 Ill. Adm. Code 610 .....8795
Swine Disease Control And Eradication Act	8 Ill. Adm. Code 105 .....8799
CHILDREN AND FAMILY SERVICES, DEPARTMENT OF	
Rate Setting	89 Ill. Adm. Code 356 .....8805
EDUCATION, STATE BOARD OF	
Charter Schools	23 Ill. Adm. Code 650 .....8807
PROFESSIONAL REGULATION, DEPARTMENT OF	
The Barbers' Cosmetology, Esthetics, And Nail Technology Act Of 1985	68 Ill. Adm. Code 1175 .....8813
PUBLIC AID, DEPARTMENT OF	
Application Process	89 Ill. Adm. Code 110 .....8926
Hospital Reimbursement Changes	89 Ill. Adm. Code 152 .....8932
Hospital Services	89 Ill. Adm. Code 148 .....8934
Long Term Care Reimbursement Changes	89 Ill. Adm. Code 153 .....8937
Medical Payment	89 Ill. Adm. Code 140 .....8939
Practice In Administrative Hearings	89 Ill. Adm. Code 104 .....8942
HEALTH FACILITIES PLANNING BOARD	
Permit Application Fees	77 Ill. Adm. Code 120 .....8948
REHABILITATION SERVICES, DEPARTMENT OF	
Admission, Suspension, Expulsion And Discharge Procedures	89 Ill. Adm. Code 755 .....8955
REVENUE, DEPARTMENT OF	
Retailers' Occupation Tax	86 Ill. Adm. Code 130 .....8961
Uniform Penalty And Interest Act	86 Ill. Adm. Code 700 .....8981
STATE POLICE MERIT BOARD, DEPARTMENT OF	
Procedures Of The Department Of State Police Merit Board	80 Ill. Adm. Code 150 .....8990
ADOPTED RULES	
AGING, DEPARTMENT ON	
Community Care Program	89 Ill. Adm. Code 240 .....8995
CENTRAL MANAGEMENT SERVICES, DEPARTMENT OF	
Pay Plan	80 Ill. Adm. Code 310 .....9006
Standard Procurement	44 Ill. Adm. Code 1 .....9015
The Travel Regulation Council	80 Ill. Adm. Code 3000 .....9025
CHILDREN AND FAMILY SERVICES, DEPARTMENT OF	
Client Service Planning	89 Ill. Adm. Code 305 .....9030
Placement And Visitation Services	89 Ill. Adm. Code 301 .....9036
COMMERCE COMMISSION, ILLINOIS	
Effect Of Adoption Of Least-Cost Plans	83 Ill. Adm. Code 411 .....9043
LAW ENFORCEMENT TRAINING AND STANDARDS BOARD, ILLINOIS	
Part-Time Basic Training	20 Ill. Adm. Code 1770 .....9047
PROFESSIONAL REGULATION, DEPARTMENT OF	
Controlled Substances Act	77 Ill. Adm. Code 3100 .....9063
Optometric Practice Act Of 1987	68 Ill. Adm. Code 120 .....9068

PUBLIC AID, DEPARTMENT OF		
Developmental Disabilities Services		
89 Ill. Adm. Code 114	.....9072	
Medical Payment		
89 Ill. Adm. Code 110	.....9081	
REVENUE, DEPARTMENT OF		
Payment Of Taxes By Electronic Funds Transfer		
86 Ill. Adm. Code 750	.....9111	
Retailers' Occupation Tax		
86 Ill. Adm. Code 130	.....9116	
STUDENT ASSISTANCE COMMISSION, ILLINOIS		
College Savings Bond Bonus Incentive Grant (BIG) Program		
23 Ill. Adm. Code 2771	.....9136	
David A. Debolt Teacher Shortage Scholarship Program		
23 Ill. Adm. Code 2764	.....9141	
Federal Family Education Loan Program (FFELP)		
23 Ill. Adm. Code 2720	.....9147	
General Provisions		
23 Ill. Adm. Code 2700	.....9170	
Illinois National Guard Grant Program		
23 Ill. Adm. Code 2730	.....9187	
Illinois Special Education Teacher Tuition Waiver Program		
23 Ill. Adm. Code 2765	.....9194	
Illinois Veterans Grant (IVG) Program		
23 Ill. Adm. Code 2733	.....9200	
Limitation, Suspension And Termination Proceedings		
23 Ill. Adm. Code 2761	.....9206	
Merit Scholarship Program (MSP) Program		
23 Ill. Adm. Code 2761	.....9215	
Minority Teachers Of Illinois (MTI) Scholarship Program		
23 Ill. Adm. Code 2763	.....9221	
Monetary Award Program (MAP)		
23 Ill. Adm. Code 2735	.....9227	
Paul Douglas Teacher Scholarship Program		
23 Ill. Adm. Code 2762	.....9238	
Robert C. Byrd Honors Scholarship Program		
23 Ill. Adm. Code 2765	.....9244	
State Scholar Program		
23 Ill. Adm. Code 2760	.....9251	
Student To Student (STS) Program Of Matching Grants		
23 Ill. Adm. Code 2770	.....9260	
EMERGENCY RULES		
CHILDREN AND FAMILY SERVICES, DEPARTMENT OF		
Rare Sighting		
89 Ill. Adm. Code 356	.....9265	
PUBLIC AID, DEPARTMENT OF		
Hospital Reimbursement Changes		
89 Ill. Adm. Code 152	.....9272	
Hospital Services		
89 Ill. Adm. Code 148	.....9281	
Long Term Care Reimbursement Changes		
89 Ill. Adm. Code 153	.....9306	
Medical Payment		
89 Ill. Adm. Code 140	.....9312	
SECRETARY OF STATE		
Procedures And Standards		
92 Ill. Adm. Code 1001	.....9355	
JOINT COMMITTEE ON ADMINISTRATIVE RULES—		
STATEMENT OF OBJECTIONS, SUSPENSIONS, RECOMMENDATIONS,		
PROHIBITED FILINGS & APPROVALS		
COMPTROLLER, OFFICE OF THE		
Illinois Funeral Or Burial Funds Act		
38 Ill. Adm. Code 610, Recommendation	.....9386	
REVENUE, DEPARTMENT OF		
General Rules For All Taxes		
86 Ill. Adm. Code 900, Objection	.....9387	
NOTICE OF PUBLIC INFORMATION		
ATTORNEY GENERAL		
Proposed Amendment To Consent Decree For Remedial Investigation And		
Feasibility Study For The Beloit Corporation Facility	.....9388	
NOTICE OF CODIFICATION CHANGES		
NATURAL RESOURCES, DEPARTMENT OF		
Public Use Of State Parks And Other Properties Of The Department Of		
Conservation		
17 Ill. Adm. Code 110, et al	.....9389	
NOTICE OF REQUEST FOR EXPEDITED CORRECTIONS		
COMMERCE COMMISSION, ILLINOIS		
Telecommunications Access For Persons With Disabilities		
83 Ill. Adm. Code 755	.....9392	

REGULATORY AGENDA

CAPITAL DEVELOPMENT BOARD	9429
Procurement Practices	9429
14 Ill. Adm. Code 910, et al.	9398
COMMERCE AND COMMUNITY AFFAIRS, DEPARTMENT OF	
Enticement Zone Program	9403
14 Ill. Adm. Code 520, et al.	
EDUCATION, STATE BOARD OF	
Charter School	9407
23 Ill. Adm. Code 650	
HOUSING DEVELOPMENT AUTHORITY, ILLINOIS	
National Affordable Housing Act (HOME) Program	9408
47 Ill. Adm. Code 370, et al.	
MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES, DEPARTMENT OF	
Grants	9409
59 Ill. Adm. Code 103, et al.	
SECRETARY OF STATE	
Regulations Under The Business Opportunity Sales Law of 1995	9411
14 Ill. Adm. Code 135, et al.	
JOINT COMMITTEE ON ADMINISTRATIVE RULES	9412
Second Notices Received	
EXECUTIVE ORDERS AND PROCLAMATIONS	
PROCLAMATIONS	
96-102 Clark County Fair Week (Revised)	9413
96-107 1996 Women's Basketball Weekend	9414
96-108 Dr. Sokoni Karamja/Center for New	9415
Horizons Month	9416
96-109 Fox River Trolley Catal Health Practitioners	9417
Week	9418
96-111 Linderoth/Rasson/American Cancer Society Day	9419
96-112 American GI Forum Day	9420
96-113 American GI Forum Days	9421
96-114 Dr. Roger E. Compton Commended	9422
96-115 Illinois Paralegal Association And Paralegal/Legal	9423
Assistant Day	9424
96-116 Child Support Awareness Commended	9425
96-117 William J. Vermette Commended	9426
96-118 Oatrich Awareness Week	9427
96-119 Robert Magill Commended	9428

ISSUES INDEX

96-370 Warren L. Wallerstein Commended	9429
96-371 American Family Insurance Recognition Day	9429
96-372 Consulting Engineers' Council of Illinois	9430
96-373 Hudson Family Reunion Weekend	9431
96-374 Paralyzed Veterans of America Week	9432
ISSUES INDEX	9433
14 Ill. Adm. Code 520, et al.	9403
EDUCATION, STATE BOARD OF	
Charter School	9407
23 Ill. Adm. Code 650	
HOUSING DEVELOPMENT AUTHORITY, ILLINOIS	
National Affordable Housing Act (HOME) Program	9408
47 Ill. Adm. Code 370, et al.	
MENTAL HEALTH AND DEVELOPMENTAL DISABILITIES, DEPARTMENT OF	
Grants	9409
59 Ill. Adm. Code 103, et al.	
SECRETARY OF STATE	
Regulations Under The Business Opportunity Sales Law of 1995	9411
14 Ill. Adm. Code 135, et al.	
JOINT COMMITTEE ON ADMINISTRATIVE RULES	9412
Second Notices Received	
EXECUTIVE ORDERS AND PROCLAMATIONS	
PROCLAMATIONS	
96-102 Clark County Fair Week (Revised)	9413
96-107 1996 Women's Basketball Weekend	9414
96-108 Dr. Sokoni Karamja/Center for New	9415
Horizons Month	9416
96-109 Fox River Trolley Catal Health Practitioners	9417
Week	9418
96-111 Linderoth/Rasson/American Cancer Society Day	9419
96-112 American GI Forum Day	9420
96-113 American GI Forum Days	9421
96-114 Dr. Roger E. Compton Commended	9422
96-115 Illinois Paralegal Association And Paralegal/Legal	9423
Assistant Day	9424
96-116 Child Support Awareness Commended	9425
96-117 William J. Vermette Commended	9426
96-118 Oatrich Awareness Week	9427
96-119 Robert Magill Commended	9428

Editor's Note: The Sections Affected Index and Cumulative Index for rules published as of June 30, 1996 will appear in the July 19 Illinois Register (issue 29).

REGISTER PUBLICATION SCHEDULE 1996

Material Rec'd after 12:00 p.m. on:	And before 12:00 p.m. on:	Will be in issue #:	Published on:
June 25, 1996	July 9, 1996	29	July 12, 1996
July 2, 1996	July 16, 1996	30	July 19, 1996
July 9, 1996	July 23, 1996	31	July 26, 1996
July 16, 1996	July 30, 1996	32	Aug. 2, 1996
July 23, 1996	Aug. 6, 1996	33	Aug. 9, 1996
Aug. 6, 1996	Aug. 20, 1996	34	Aug. 23, 1996
Aug. 13, 1996	Aug. 27, 1996	35	Aug. 30, 1996
Aug. 20, 1996	Sept. 3, 1996	36	Sept. 6, 1996
Aug. 27, 1996	Sept. 10, 1996	37	Sept. 13, 1996
Sept. 3, 1996	Sept. 17, 1996	38	Sept. 20, 1996
Sept. 10, 1996	Sept. 24, 1996	39	Sept. 27, 1996
Sept. 17, 1996	Oct. 1, 1996	40	Oct. 4, 1996
Sept. 24, 1996	Oct. 8, 1996	41	Oct. 11, 1996
Oct. 1, 1996	Oct. 15, 1996	42	Oct. 18, 1996
Oct. 8, 1996	Oct. 22, 1996	43	Oct. 25, 1996
Oct. 15, 1996	Oct. 29, 1996	44	Nov. 1, 1996
Oct. 22, 1996	Nov. 5, 1996	45	Nov. 8, 1996
Oct. 29, 1996	Nov. 12, 1996	46	Nov. 15, 1996
Nov. 5, 1996	Nov. 19, 1996	47	Nov. 22, 1996
Nov. 12, 1996	Nov. 26, 1996	48	Dec. 6, 1996
Nov. 19, 1996	Dec. 3, 1996	49	Dec. 10, 1996
Nov. 26, 1996	Dec. 10, 1996	50	Dec. 13, 1996
Dec. 3, 1996	Dec. 17, 1996	51	Dec. 20, 1996
Dec. 10, 1996	Dec. 24, 1996	52	Dec. 27, 1996
Dec. 17, 1996	Dec. 31, 1996	53	Jan. 3, 1997
Dec. 24, 1996	Jan. 7, 1997	54	Jan. 10, 1997

Please note: When the Register deadline falls on a State holiday, the deadline becomes 4:30 p.m. on Monday (the day before).

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

1) Heading of the Part: Animal Diagnostic Laboratory Act

2) Code Citation: 8 Ill. Adm. Code 110

3) Section Number: Proposed Action:
110-90
Amendment:
110.110

4) Statutory Authority: Animal Disease Laboratory Act (510 ILCS 10)

5) A Complete Description of the Subverts and Issues Involved: The fees for copywriting and printing submitted in Section 110.110 will have lower fees added for multiple samples. The fee for reporting results by facsimile in Section 110.110 will be eliminated.

6) Will this proposed rule replace an emergency rule in effect? No

7) Does this rulemaking contain an automatic repeal date? No

8) Does this proposed amendment contain incorporations by reference? No

9) Are there any other proposed amendments pending in this Part? No

10) Statement of Statewide Policy Objective: Rule does not affect units of local governments.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: A 45-day written comment period will begin on the date notice of rulemaking appears in the Illinois Register. In addition, notice of rulemaking appears in the Illinois Register. All amendments will be held August 13, 1996. A public hearing on the proposed amendments will be held August 13, 1996. The public hearing will be held at the Department of Agriculture Building, 8th Floor, Sangamon State Park, Springfield, Illinois. Please call written comments on the proposed rulemaking to the attention of:

Debbie Wakefield
Department of Agriculture
State Fairgrounds
P.O. Box 12481
Springfield, IL 62714-2481
(217) 785-3713; Facsimile (217) 785-4105

In order for mailed comments to be available for consideration at the public hearing, please mail to later than August 13, 1996. All comments received will be fully considered by the Agency and the Advisory Board of Livestock Commissioners.

The public hearing on the proposed rulemaking will run concurrently with a

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

public meeting of the Advisory Board of Livestock Commissioners.

12) Initial Regulatory Flexibility Analysis:

A) Types of small businesses, small municipalities and not-for-profit corporations affected: Producers of livestock, veterinarians, or anyone requesting laboratory services.

B) Reporting, bookkeeping or other procedures required for compliance: Persons requesting laboratory services must pay the fees being charged for the desired tests or services.

C) Types of professional skills necessary for compliance: No additional professional skills are required.

13) Regulatory agenda on which this rulemaking was summarized: July 1996

The full text of the Proposed Amendments begins on the next page.

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

10)	Canine parvovirus serum.....	5.00 C
11)	Canine distemper serum.....	5.00 C
12)	Cats-rabies on fecal.....	10.00 C
13)	Swine strangles (serology).....	10.00 C
14)	Swine strangles (3 serotypes).....	12.00 C
15)	RDV-PCIT (serology).....	15.00 C
16)	Porcine fetal fluid IgG.....	3.00 C
17)	Porcine lentivirus (serum).....	10.00 C
18)	Rheumatoid arthritis (serum).....	3.00 C
	(Each additional specimen).....	1.00 C
19)	PRAS (screening).....	2.00 C
	PRAS and titer.....	4.00 C
c)	Chlamydia isolation in Cell Culture.....	15.00 C
d)	Miscellaneous serology	
1)	Toxoplasmosis (first sample).....	5.00 C
	(Each additional sample).....	2.50 C
2)	2X-AID.....	2.50 S
3)	Mare Immunological Pregnancy Test	
4)	(15-30 days post-service).....	15.00 C
5)	Sheep disease-rabies (immunoelectrophoresis).....	12.00 S
6)	Brucella abortus serology.....	.50 C/G/S
	Brucella abortus other than bovine,	
7)	porcine and swine.....	.50 C/G/S
	Bluetongue (1-5 specimens, each).....	3.00 C
	(Each additional specimen).....	2.00 C
8)	Bovine Leukosis BLV-AID (1-5 specimens, each).....	3.00 C
	(Each additional specimen).....	1.00 C
9)	Vesicular stomatitis	
	(1-5 samples each).....	3.00 C
	(Each additional sample).....	2.00 C
10)	Complement fixation serology	
	(1-5 specimens, each).....	3.00 C
	(Each additional specimen).....	1.00 C
	Note: The Complement fixation Serology tests include testing for anaplasmosis, and chlamydia.	

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 110.120 Miscellaneous Fees

- a) Swine health checks at slaughter facilities:
Market swine health check per head with a minimum of 10 head 5.00
(Contact the Galesburg Laboratory for information)
- b) Water potability test (Coliform and Enterococci)-
Millipore Method and Nitrate)..... 8.00 C

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

c)	Return of shipping container.....	current postal rate C.G.S
d)	Field trip by Department Laboratory Personnel to take specimens.....	50.00 C/G
e)	Cremation (Under 50 pounds).....	50.00 C/G
	50 pounds and above, each additional pound.....	1.00 C
f)	Report of results by	
	each additional page.....	5.00 C/G/S
	each additional page.....	5.00 C/G/S
	Handling fee for sending specimens to	
	out-of-state laboratories.....	5.00 C/G/S
	Xyline.....	40.00 C
	Trinuclear.....	100.00 C
	Trinuclear.....	15.00 C
	Volatile Organic Compounds.....	300.00 C
	Disposal Fee: (When conducted, a disposal fee will be charged in addition to any cremation costs)	
	Under 50 pounds.....	5.00 C/G/S
	50 pounds to 100 pounds.....	10.00 C/G/S
	Over 100 pounds.....	15.00 C/G/S
	Overnight shipping.....	current postal rate C.G.S
	Shipping containers.....	current market price C.G.S

(Source: Amended at 20 Ill. Reg. _____, effective _____)

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

- 1) Headings of the Part: Bovine Brucellosis
- 2) Code Citation: 8 Ill. Adm. Code 75
- 3)

<u>Section Number:</u>	<u>Proposed Action:</u>
75.5	Amendment
75.10	Amendment
75.10	Amendment
75.60	Amendment
75.70	Amendment
75.80	Amendment
75.120	Amendment
75.180	Amendment
- 4) Statutory Authority: Illinois Bovine Brucellosis Eradication Act [510 ILCS 30]
- 5) A Complete Description of the Subjects and Issues Involved: In Sections 75.5, 75.10, 75.60, and 75.120, the current edition of the Code of Federal Regulations will be adopted.
- Sections 75.70 and 75.80 will be amended to prohibit the diversion of slaughter animals en route to the slaughter facility and to ensure that all proper paperwork accompany the animals.
- A new vaccine for bovine brucellosis was approved by the U.S. Department of Agriculture in the spring of 1996. The USDA is requiring a special vaccination tag for animals vaccinated with the 98-51 vaccine. This tag requirement will be added to Section 75.60.
- Wisconsin is allowing cattle to leave their auction markets without a negative test for brucellosis. Since there is a chance that animals from other than a Class Free State may be consigned to a Wisconsin market, Illinois is clarifying in Section 75.180 that it will not accept animals from out-of-state markets unless the animal has had a negative test within the past thirty days.
- Will this proposed rule replace an emergency rule in effect? No
- Does this rulemaking contain an automatic repeal date? No
- Does this proposed amendment contain incorporations by reference? Yes
- Are there any other proposed amendments pending on this Part? No
- Statement of Statewide Policy Objectives: Rule does not affect units of local governments.
- Time, Place and Manner in which interested persons may comment on this

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

Proposed Rulemaking: A 45-day written comment period will begin on the day the notice of rulemaking appears in the Illinois Register. In addition to the written comment period, a public hearing on the proposed amendments will be held on August 21, 1996 at 10:00 a.m., Department of Agriculture Building, 800 North Sangamon, State Capitol, Springfield, Illinois. Please mail written comments on the proposed rulemaking to the attention of:

Debbie Wakefield
Department of Agriculture
State Fairgrounds, P.O. Box 13481
Springfield, IL 62794-9481
217/785-5713; Facsimile 217/785-4505

In order for mailed comments to be available for consideration at the public hearing, please mail no later than August 15, 1996. All comments received will be fully considered by the agency and the Advisory Board of Livestock Commissioners.

The public hearing on the proposed rulemaking will run concurrently with a public meeting of the Advisory Board of Livestock Commissioners.

12) Initial Regulatory Flexibility Analysis

A) Types of small businesses, small municipalities and not-for-profit corporations affected: Slaughter buyers; livestock markets dealing with cattle, farmers; and veterinarians.

B) Reporting, bookkeeping or other procedures required for compliance: Appropriate forms must accompany slaughter animals en route to slaughter facilities.

C) Types of professional skills necessary for compliance: No additional professional skills are required.

13) Regulatory agenda on which this rulemaking was summarized: July 1996

The full text of the Proposed Amendments begins on the next page!

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

TITLE 8: AGRICULTURE AND ANIMALS
CHAPTER 1: DEPARTMENT OF AGRICULTURE
SUBCHAPTER b: ANIMALS AND ANIMAL PRODUCTS
(EXCEPT MEAT AND POULTRY INSPECTION ACT REGULATIONS)

PART 75

BOVINE BRUCELLOSIS

Section	
75.5	Definitions
75.7	Importation by Reference
75.9	Classification of the Results of the Brucellosis Blood Test
75.15	Permits to Conduct Official Brucellosis Tests
75.20	Reports Required
75.30	Tests Conducted at State Expense or for Interstate or Export Shipment
75.40	Indemnity
75.50	Identification of Cattle
75.60	Identification Tags
75.70	Requirements for Establishing and Maintaining Certified Brucellosis-Free Herds of Cattle
75.80	Feeding or Grazing Cattle
75.90	State of Quarantined Feeding or Grazing Cattle
75.95	Cattle for Immediate Slaughter
75.99	Cattle for Breeding or Grazing 18 Months and Over
75.100	Relaxation of Feeding or Grazing Cattle from Quarantine
75.110	Dairy or Breeding Cattle
75.120	Additional Requirements on Cattle from States Designated as Class B and Class C States
75.200	Slaughter Cattle from Class B or Class C States
75.210	Official Calbrod Vaccination
75.220	Recognition of Brucellosis State Status
TABLE A	Brucellosis Standard Plate Test of Officially Vaccinated Cattle and Bison (Repealed)
TABLE B	Brucellosis Standard Plate Test of Non-Vaccinated Cattle and Bison (Repealed)

AUTHORITY: Implementing and authorized by the Illinois Bovine Brucellosis Eradication Act (510 ILCS 301).

SOURCE: Regulations Relating to Bovine Brucellosis, filed January 7, 1972, effective January 27, 1972; filed May 3, 1974, effective May 13, 1974; filed December 6, 1972, effective December 16, 1972; filed June 20, 1973, effective June 20, 1973; filed December 11, 1973, effective December 21, 1973; filed

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

August 19, 1975, effective August 29, 1975; filed March 12, 1976, effective March 22, 1976; filed June 21, 1976, effective July 1, 1976; filed December 29, 1976, effective January 8, 1977; amended at 2 Ill. Reg. 24, p. 55, effective June 15, 1978; amended at 3 Ill. Reg. 34, p. 96, effective August 24, 1979; amended at 4 Ill. Reg. 723, effective January 2, 1981; codified at 5 Ill. Reg. 1045, amended at 7 Ill. Reg. 1237, effective January 28, 1981; amended at 7 Ill. Reg. 1733, effective February 11, 1981; amended at 8 Ill. Reg. 381, effective April 23, 1981; amended at 9 Ill. Reg. 483, effective March 22, 1985; amended at 9 Ill. Reg. 1817, effective January 11, 1987; amended at 10 Ill. Reg. 974, effective May 21, 1986; amended at 11 Ill. Reg. 1119, effective May 15, 1987; amended at 12 Ill. Reg. 386, effective January 7, 1988; amended at 13 Ill. Reg. 1636, effective March 13, 1989; amended at 14 Ill. Reg. 1911, effective January 19, 1990; amended at 15 Ill. Reg. 1833, effective January 24, 1991; amended at 20 Ill. Reg. 1509, effective January 22, 1996; amended at 20 Ill. Reg. _____, effective _____.

Section 75.5 Definitions

The definitions for the rules of this Part shall be as stated in 8 Ill. Adm. Code 20.1. The following definition shall also apply:

"Act" means the Illinois Bovine Brucellosis Eradication Act (510 ILCS 301).

"Registered animal" means an animal for which individual records of ancestry are recorded and maintained by a breed association whose purpose is the improvement of the bovine species, and for which individual registration certificates are issued and recorded by such breed association. The breed associations recognized by the Department are those recognized by the United States Department of Agriculture (9 CFR 51.1, 1996 1995).

(Source: Amended at 20 Ill. Reg. _____, effective _____.)

Section 75.10 Official Classification of the Results of the Brucellosis Blood Test

- The official tests and classification of results for the brucellosis blood and milk tests shall be as prescribed in the Brucellosis Eradication Uniform Methods and Rules as approved by the United States Animal Health Association (P.O. Box 5277, Suite 144, 1610 Forest Avenue, Richmond, Virginia 23228, May 6, 1972 as amended February 2, 1989, March 12, 1990), and the United States Department of Agriculture (9 CFR 51.1, 1996 1995).
- The card (Buffered Brucella Agglutination) or buffered acidified Plate Antigen (BAPA) test shall be the official test used at licensed livestock auction markets in the State. The CRT (Registered) test

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

- shall be used as a supplemental test whenever the card test is used.
 c) The official brucellosis test for cattle imported into Illinois shall be one conducted at an approved laboratory.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 75.60 Identification of Cattle

- a) All purebred or crossbred cattle subject to registration vaccinated with brucella abortus vaccine shall be identified on the report of vaccination by their registration number, or dam's registration number if record approved individual tattoo or microchip. Reactors shall be identified by their registration number and ear tagged in the right ear with identification tattoo. In addition to the above identification, all animals shall be identified at the time of vaccination by a tattoo in the right ear. When using a Strain 19 vaccine, the tattoo shall show the quarter and year of vaccination and the letter "W" in the federal shield. The number of the quarter shall precede the letter "W" in the shield and the last figure of the year shall follow the letter "W" in the shield, as for example, "4W-1" means the last quarter (Oct., Nov., Dec.) of the year, "W" means vaccinated, and "1" means the year (example 1957). When using a RB-51 vaccine, the tattoo shall show the letter "R". When using a RB-51 vaccine, the tattoo shall show the last number of the year the animal was vaccinated (example, RB-51 would be an animal vaccinated with the RB-51 vaccine in 1956).

- b) All cattle, except permanently identified purebred or crossbred animals, tested for brucellosis in the State of Illinois shall be identified by an ear tag placed in the right ear, which tag shall bear a prefix number or letter followed by the number in the face of the animal on the left side and the word "identified".
 c) Purebred or crossbred animals shall be identified for test or vaccination by the purebred or crossbred registration number or individual registration breed tattoo or microchip.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 75.70 Herds Revealing Reactors

- a) The entire herd shall be placed under quarantine and the reactor animals shall be immediately isolated from the remainder of the herd. Reactors shall be shipped for slaughter to a public stockyard, a licensed livestock auction market, or directly to a recognized slaughtering establishment accompanied by United States Department of Agriculture VS Form 1-27 Permit for Movement of Animals and shipment reported to the Department. Reactors shall not be diverted from the

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

destination listed on the VS Form 1-27, and any other shipping forms must accompany the cattle or sheep to their destination. The owner of such animals must also ensure that VS Form 1-27 and any other shipping forms are given to the driver transporting the animals to their destination.

- b) All reactors shall be reactor tagged and branded by an accredited veterinarian or a veterinarian in the employ of the Department or the Animal and Plant Health Inspection Service within 10 days of report by the laboratory. ADE Form 1-43 (Identity Claim for Cattle Slaughtered) shall be submitted in duplicate. Such reactor animals shall be shipped within 15 days after tagging and branding.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 75.80 Sale of Suspects and Negative Animals From Quarantined Herds

Suspects or negative exposed animals from herds under quarantine may be shipped by the owner direct to a recognized slaughtering establishment, a public stockyard or to a licensed livestock auction market, accompanied by Federal Form VS 1-27 to be sold for slaughter only and subject to the Department. Suspects shall not be diverted from the quarantine to the VS Form 1-27, and any other shipping forms must accompany the animals to their destination. The owner of such animals must also ensure that VS Form 1-27 and any other shipping forms are given to the driver transporting the animals to their destination. Such cattle are to be identified by an ear tag supplied by the Department and by branding with a hot iron the letter "S" on the left jaw in letters not less than 2 nor more than 3 inches in height, before the animals leave the premises where they are quarantined, except that cattle for slaughter shall be exempt from the "S" branding requirements of this regulation when moved direct from a feedlot on the quarantined premises to a recognized slaughtering establishment in a vehicle which has been sealed by a Department employee, or a person designated by the Department.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 75.120 Requirements for Establishing and Maintaining Certified Brucellosis-Free Herds of Cattle

Certified brucellosis-free herds shall be established and maintained in accordance with the Brucellosis Eradication Uniform Methods and Rules as approved by the United States Animal Health Association (P.O. Box 8227, Suite 114, 1610 Forest Avenue, Richmond, Virginia 23282; May 6, 1992 as amended February 2, 1993 and June 16, 1994) and the United States Department of Agriculture and/or 9 CFR 1.1.1 (1226 1995).

(Source: Amended at 20 Ill. Reg. _____, effective _____)

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

Section 75.180 Dairy or Breeding Cattle

All dairy or breeding cattle transported or moved into the State of Illinois, unless said cattle are consigned direct to and delivered by the transportation company within the confines of a public stockyard or marketing center, shall be accompanied by an official certificate of health showing:

- 1) The stock cattle over 6 months of age are negative to brucellosis blood test.
- 2) All cattle originating from a certified brucellosis-free herd, Class Free State, shall be accompanied by an official health certificate showing a negative test for brucellosis within 10 days prior to entry into the State.
- 3) Cattle are official brucellosis calf-hood vaccinates under 24 months of age for beef breeds and 20 months of age for dairy breeds. If age of bulls over 24 months or age of breeding heifers is less than 6 months, age of bulls over 24 months or age of breeding heifers is less than 6 months, or marketing center must be accompanied by an official health certificate showing a negative test for brucellosis within 10 days prior to entry into the State or herd status. Official brucellosis calf-hood vaccinates do not need to be tested until they are 24 months of age for beef breeds and 20 months of age for dairy breeds.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Diseased Animals
- 2) Code Citation: 8 Ill. Adm. Code 85
- 3)

Section Number	Proposed Action
85.9	Amendment
85.10	Amendment
85.15	Amendment
85.40	Amendment
85.50	Amendment
85.75	Amendment
85.100	Amendment
85.105	Amendment
85.115	Amendment
85.125	Amendment
- 4) Statutory Authority: Illinois Diseased Animals Act (510 ILCS 30), Section 6 of the Illinois Bovine Brucellosis eradication Act (510 ILCS 30-6), Livestock Auction Market Law (225 ILCS 640), and Equine Infectious Anemia Control Act (510 ILCS 65)
- 5) A Complete Recitation of the Subjects and Issues Involved: In Sections 85.9, 85.15, 35.30, 35.75, and 85.115, the current edition of the Code of Federal Regulations will be adopted.

In Section 85.10, emergency rulemaking was initiated and effective on 4/30/96 (20 Ill. Reg. 6581) making infectious encephalomyelitis, infectious laryngotracheitis and paratyphoid infection (other than Newcastle) reportable diseases. This emergency rule will be proposed for adoption.

Section 85.40 will be amended to include livestock consigned to slaughter from auction markets, marketing centers, livestock dealers or any other gathering point at regular intervals for immediate slaughter.

In Section 85.105, the exception for public stockyards will be deleted, and language included to cover other forms that may be required by the Department for entry into Illinois will be added. Language will also be added in subsection (b) to prohibit the diverting en route of slaughter animals consigned to points out-of-state. In Section 85.100, language will be added to prohibit the diverting en route of out-of-state livestock consigned to stockyards, slaughtering centers or marketing centers.

In Section 85.125, two additional types of official identification for raites will be added.
- 6) Will this proposed rule replace an emergency rule in effect? Yes, Section 85.10 published in May 10, 1994 Illinois Register (20 Ill. Reg. 5581).

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

effective 4/30/96).

- 7) Does this rulemaking contain an automatic repeal date? No
- 8) Does this proposed amendment contain incorporations by reference? Yes
- 9) Are there any other proposed amendments pending on this part? No
- 10) Statement of Statewide Policy Objectives: Rule does not affect units of local governments.
- 11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: A 15-day written comment period will begin on the day the notice of rulemaking is published in the Illinois Register. In addition to the written comment period, a public hearing on the proposed amendments will be held on August 21, 1996 at 10:00 a.m. in the Department of Agriculture Building, 8th & Sangamon, State Fairgrounds, Springfield, Illinois. Please mail written comments on the proposed rulemaking to the attention of:
- Debbie Wakefield
Department of Agriculture
State Fairgrounds, P.O. Box 19281
Springfield, IL 62794-9281
217/785-5713; facsimile 217/785-4505

In order for mailed comments to be available for consideration at the public hearing, please mail no later than August 15, 1996. All comments received will be fully considered by the agency and the Advisory Board of Livestock Commissioners.

The public hearing on the proposed rulemaking will run concurrently with a public meeting of the Advisory Board of Livestock Commissioners.

12) Initial Regulatory Flexibility Analysis:

- A) Types of small businesses, small municipalities and not-for-profit corporations affected: Auction markets, marketing centers, livestock dealers, poultry producers, and slaughter buyers.
- B) Reporting, bookkeeping or other procedures required for compliance: Three additional diseases have been added to the Reportable Diseases Section. Appropriate forms must accompany diseased animals.
- C) Types of professional skills necessary for compliance: No additional skills are needed.
- 13) Regulatory agenda on which this rulemaking was summarized: July 1996

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

The full text of the proposed amendments begins on the next page.

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

TITLE 8: AGRICULTURE AND ANIMALS

CHAPTER 1: DEPARTMENT OF AGRICULTURE

SUBCHAPTER 6: ANIMALS AND ANIMAL PRODUCTS

(EXCEPT MEAT AND POULTRY INSPECTION ACT REGULATIONS)

PART 35

DISEASED ANIMALS

Section

- 85.5 Definitions
- 85.7 Incorporation by Reference
- 85.10 Reportable Diseases
- 85.13 Truck Cleaning and Disinfection
- 85.20 Disposal of Sick, Diseased, or Clipped Animals at Stockyards
- 85.25 Sale of Livestock Quarantined Because of Disease
- 85.30 Identification Tags for Livestock
- 85.35 Identification Tags Not to be Removed
- 85.40 Livestock for Immediate Slaughter Not to be Diverted En Route
- 85.45 Anthrax
- 85.50 Goats
- 85.55 Scrapie in Sheep
- 85.60 Swine
- 85.65 Slaughter
- 85.70 Cattle Foot Rot (Repealed)
- 85.75 Cattle Scabies-Additional Requirements on Cattle From Certain Designated Areas
- 85.80 Sheep
- 85.85 Diseased Animals
- 85.90 Copy of Health Certificate Shall be Furnished
- 85.95 Requests for Permits
- 85.100 Consignments to Stockyards, Recognized Slaughtering Centers, or Marketing Centers
- 85.105 Obligation of Transportation Company and Truck Operators
- 85.110 Additional Requirements on Cattle From Designated States
- 85.115 Salmonella enteritidis serotype enteritidis
- 85.120 Carcasses
- 85.125 Rabies
- 85.130 Vesicular Stomatitis

AUTHORITY: Amending and authorized by the Illinois Diseased Animals Act (310 ILCS 651); Section 6 of the Illinois Bovine Brucellosis Eradication Act (310 ILCS 300.61); Livestock Auction Market Law (325 ILCS 640); and Equine Infectious Anemia Control Act (310 ILCS 651).

SOURCE: Regulations Relating to Diseased Animals, filed January 17, 1972, effective January 27, 1972; filed August 29, 1973, effective August 29, 1973; filed December 29, 1976, effective January 29, 1977; amended at 2 Ill. Reg. 14, p. 12, effective June 15, 1978; amended at 3 Ill. Reg. 37, p. 337, effective

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

August 17, 1979; amended at 5 Ill. Reg. 724, effective January 2, 1981; codified at 5 Ill. Reg. 10456; amended at 7 Ill. Reg. 1746, effective January 28, 1983; amended at 8 Ill. Reg. 5245, effective April 23, 1984; amended at 9 Ill. Reg. 1489, effective March 22, 1985; amended at 9 Ill. Reg. 18411, effective November 19, 1985; amended at 10 Ill. Reg. 20164, effective January 1, 1987; amended at 12 Ill. Reg. 3233, effective May 2, 1988; amended at 13 Ill. Reg. 3612, effective March 13, 1989; amended at 14 Ill. Reg. 1319, effective January 19, 1990; amended at 15 Ill. Reg. 15313, effective September 10, 1990; amended at 16 Ill. Reg. 17566, effective July 9, 1991; emergency amendment at 17 Ill. Reg. 10522, effective August 16, 1993, for a maximum of 150 days; amended at 18 Ill. Reg. 3850, effective January 24, 1994; emergency amendment at 19 Ill. Reg. 10734, effective July 13, 1995, for a maximum of 150 days; emergency expired December 17, 1995; amended at 20 Ill. Reg. 276, effective January 4, 1997; emergency amendment at 20 Ill. Reg. 6521, effective April 30, 1997, for a maximum of 150 days; amended at 20 Ill. Reg. _____, effective _____.

Section 85.5 Definitions

Definitions for the rules of this Part are located in the general definitions Section (8 Ill. Adm. Code 20.1) and apply to the rules of this Part. The following definitions shall also apply to the rules of this Part:

"Accredited veterinarian" means a veterinarian who is licensed by the state in which he practices, is approved by the animal health authority of that state, and is accredited by the United States Department of Agriculture (9 CFR 160, 161 and 162; 1936 1935).

"Recognized slaughtering center" means an establishment where slaughtering is conducted under Federal or State inspection.

(Source: Amended at 20 Ill. Reg. _____, effective _____.)

Section 85.10 Reportable Diseases

a) Suspected cases of the following diseases shall be reported immediately to the department:

- anthrax
- avian influenza
- blue tongue
- brucellosis -- bovine, swine, equine, and caprine
- contagious equine necrosis
- equine infectious anemia
- equine viral encephalitis
- fowl typhoid
- hog cholera
- infectious encephalomyelitis

DEPARTMENT OF AGRICULTURE
NOTICE OF PROPOSED AMENDMENTS

infectious laryngotracheitis
Mycoplasma gallisepticum -- turkeys
Mycoplasma aviculae -- turkeys
Newcastle disease
paratuberculosis (John's disease)
pneumocystis
pseudotuberculosis -- (Auerky's disease)
psittacosis -- (ornithosis)
pulmonary disease
rabies
salmonella enteritidis -- poultry
salmonella typhimurium -- poultry
scabies -- cattle and sheep
scrapple
tuberculosis -- bovine

vesicular conditions of any type
any contagious or infectious disease presently considered as
b) Any herd owner, dealer, or person who has knowledge of the disease, failing to report a suspect case of any of the above diseases immediately after discovery, or who is responsible for the spread of the disease, shall be subject to penalty as provided by law.
c) Reports of any of the above diseases shall be made to the Department, telephone 217/782-1344.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 85.15 Truck Cleaning and Disinfection

Any truck or other conveyance in which diseased livestock is transported shall be cleaned and disinfected immediately after the diseased livestock is unloaded as prescribed in the Code of Federal Regulations (9 CFR 71.7, 71.10 - 71.12; 128 1995).

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 85.40 Livestock for Immediate Slaughter Not to be Diverted En Route

All livestock consigned for slaughter within 10 days, from public stockyards, auction market, marketing center, livestock dealer or any other point where livestock are gathered at regular intervals for immediate slaughter within Illinois, shall be accompanied by slaughter permit and slaughtered within 10 days. All such animals shall be delivered direct to a recognized slaughtering center and shall not be diverted en route.

DEPARTMENT OF AGRICULTURE
NOTICE OF PROPOSED AMENDMENTS

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 85.50 Goats

a) Part A -- Brucellosis in Goats

1) When a serologic test for brucellosis in goats discloses one or more reactors, the entire herd shall be placed under quarantine and the reactor(s) immediately isolated from the remainder of the herd, reactor tagged and branded, and slaughtered. After removal of the reactor(s), the entire herd shall be retested at time intervals and the number of times as requested by the Department. The length of the quarantine period shall be determined by the Department.

2) All brucellosis agglutination blood tests of goats shall be made at an approved laboratory.

b) Part B -- Requirements for Establishing and Maintaining Certified Brucellosis-free Herds of Goats

1) General Brucellosis-free Herd Certificates, which shall be valid for one year, unless revoked in accordance with the procedures as adopted by the United States Animal Health Association (P.O. Box 8227, Suite 114, 1610 Forest Avenue, Richmond, Virginia 23288) and as outlined for cattle certificate revocation in the Brucellosis Eradication Uniform Methods and Rules, effective May 6, 1992, amended February 3, 1993, and June 16, 1994, published by the United States Department of Agriculture, Animal and Plant Health Inspection Service, shall be issued by the Department.

B) Certificates shall be extended for a period of the year upon evidence of a negative herd retest and compliance with all requirements for maintenance of a certified brucellosis-free herd.

C) A "herd" shall be considered as including all animals 6 months of age and over and shall consist of at least 5 animals.

D) All animals in the herd shall be identified by registration and individual tattoo or ear tag.

E) All herd individual tattoo or ear tag records shall be approved, approved tests of goats shall be conducted at an approved laboratory.

2) To Qualify for Certification
A) Herds shall be certified upon completion of 2 consecutive negative complete herd tests not less than 10 nor more than 14 months apart.

B) Animals classified as suspects, in herds that are otherwise negative, must be retested at 30-day intervals until their status has been determined. If the suspects are sold or otherwise disposed of before their status has been

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

determined, the entire herd must be retested to achieve a negative herd status. If the suspects are classified as reactors upon retest, the herd is considered to be infected. Diseased goats may only be accompanied directly to a slaughtering facility and must be accompanied by a "Permit for Movement, VS Form 1-27".

C) On the initial herd test, or as a result of any retests of goats in the herd, one or more reactors are disclosed, the reactor(s) shall be placed under quarantine and the herd reactor(s) immediately isolated from the remainder of the herd. Reactor(s) tagged and banded, and slaughtered. After removal of the reactor(s), the band(s) and shall be retested at the time intervals and the number of times as requested by the Department. The length of the quarantine period shall be determined by the Department.

3) To Qualify for Recertification

A) A negative herd test conducted within 60 days prior to the anniversary date is required for continuous certification. Upon receipt of a negative herd test, the Department shall extend certification for 12 months from the anniversary date.

B) If the annual test for recertification is conducted within 60 days following the anniversary date and all the animals are negative, certification will be restored and the anniversary certification period will be 12 months from the anniversary date.

C) If the annual test for recertification is not conducted within 60 days following the anniversary date, certification is cancelled and recertification requirements are then the same as for initial certification.

D) If suspects or reactors are disclosed on a recertification test, their disposition and herd retest requirements shall be the same as specified in Section 85.50(1)(B) and (C).

E) All official blood tests of goats shall be conducted at an approved laboratory.

4) Additions to Certified Brucella-Free Herds

A) Animals originating from other certified herds may be added without tests.

B) Animals originating from herds not certified may be added; provided, they are negative to an official brucella test within 60 days prior to addition, are held in isolation from other members of the certified herd for a minimum period of 30 days and are retested and negative at the end of this isolation period.

C) New additions shall not receive new herd status for sales or donation purposes until they have been members of the herd for at least 30 days and are included in a complete herd retest.

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

c) Part C -- Requirements for Establishing and Maintaining Accredited Tuberculosis-Free Herds of Goats

1) General Requirements

A) Accredited tuberculosis-free herd certificates, which shall be valid for one year, unless revoked in accordance with the procedures outlined in the Bovine Tuberculosis Eradication Uniform Methods and Rules, effective February 3, 1989, Part III B, Accredited Herd Plan for Dairy Goats, shall be issued by the Department (9 CFR 77.11 (1989)).

B) Certificates may be extended for a period of one year upon evidence of a negative herd retest and compliance with all requirements for maintenance of an accredited tuberculosis-free herd.

C) A herd shall be considered as including all animals 12 months of age and over and shall consist of at least 5 animals.

D) All animals in the herd shall be identified by registration number, individual tattoo, or ear tag.

E) All official tuberculosis tests shall be conducted by an accredited veterinarian or a veterinarian in the employ of the Illinois Department of Agriculture of the United States Department of Agriculture.

2) To Qualify for Accreditation

A) Herds shall be accredited upon completion of 2 consecutive negative complete herd tests not less than 10 nor more than 14 months apart.

B) If a reaction to the tuberculin test is disclosed, the veterinarian reading the test shall, within 24 hours, notify the Department by collect telephone call and make arrangements for a veterinarian trained in conducting the comparative-cervical test to retest the animal within 10 days of the original injection. If the animal is identified as a reactor as a result of the comparative-cervical test, personnel from either the Illinois Department of Agriculture or the United States Department of Agriculture will issue a final official tuberculosis disposition of animals, and conduct official tuberculosis retests of the herd.

3) To Qualify for Accredited Reactors of the Herd

A) A negative herd test conducted within 60 days prior to the anniversary date is required for continuous accreditation. Upon receipt of a negative herd test, the Department shall extend accreditation for 12 months from the anniversary date.

B) If the annual test for recertification is conducted within 60 days following the anniversary date, certification will be restored and the accreditation period will be 12 months from the anniversary date.

C) If the annual test for recertification is not conducted

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

within 60 days following the anniversary date, accreditation is cancelled and reaccreditation requirements are then the same as for initial accreditation.

- D) If a reaction to the tuberculin test is disclosed at the time of the reaccreditation test, the procedure outlined in Section 85.30(b)(2)(B) shall be followed.

- 4) Additions to Accredited Tuberculosis-Free Herds

A) Animals originating from other accredited herds may be added

- B) Animals originating from herds not accredited may be added; provided, they are negative on an official test for tuberculosis within 60 days prior to addition. Animals that are retested and negative to an official tuberculin test must be sooner than 60 days from the date the previous test was conducted.

- C) Purchased additions shall not receive new herd status for sale or exhibition purposes until they have been members of the herd for at least 60 days and are included in a complete herd retest.

- D) Part D - Other Contagious Diseases. All goats, including dairy goats, will not be allowed to be exhibited in Illinois and must be removed immediately from the exhibition area if showing signs of any of the following conditions:

- 1) Lesions of contagious erythema (sore mouth).
- 2) Active lesions of ringworm with resulting loss of hair.
- 3) Caseous lymphadenitis as evidenced by draining abscesses.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 85.75 Cattle Scabies -- Additional Requirements on Cattle from Certain Designated Areas

- a) A prior permit must be obtained from the Department before cattle, except those consigned direct to slaughter, may enter Illinois from certain designated areas determined to have high incidence of cattle scabies. The Director of the Department shall have authority to specify the designated areas from which movement of cattle into Illinois will be restricted.

- b) Cattle from such areas, except those consigned to a recognized exhibition and moved from Illinois following exhibition (county and State fairs, other State-supported exhibitions, and breed registry exhibitions); dairy cattle; or those consigned direct to slaughter, treated in dipping for cattle scabies within 10 days prior to entry or treated in accordance with the procedures as set forth in 9 CFR 71.12 (1996 1995)

- c) Each such animal shall be treated with a solution of approved acaricide and water or other method of treatment approved by the

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

United States Department of Agriculture (9 CFR 13.10 and 73.12, 1996 1995).

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 85.100 Consignments to Stockyards, Recognized Slaughtering Centers, or Marketing Centers

- a) All out-of-state livestock consigned to a public stockyard, recognized slaughtering center, or marketing center shall be accompanied from point of origin by a permit issued by the Department, or by a consignment issued by the owner or shipper of the livestock, designating the name of the owner or shipper, place of origin, public stockyard, recognized slaughtering center, or marketing center of destination, date of shipment, and number and description of livestock and shall conform to the following:

- b) A copy of the consignment invoice, to be paid by the public stockyard, recognized slaughtering center, or marketing center for a period of not less than 6 months for inspection by authorized officials of the United States Department of Agriculture, and the Illinois Department of Agriculture, and other officials having police powers. [225 ILCS 640.1]

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 85.105 Obligation of Transportation Company and Truck Operators

- a) Before accepting any livestock or dogs for shipment into the State of Illinois or consigned to points within the State of Illinois, except to public stockyards every person, transportation company, or truck operator shall require that a certificate of health or permit, or any other form required to accompany animals or poultry as required in the regulations of the Department, be furnished them to be attached to such consignment and accompany the livestock or dog to its destination. Such certificate of health or permit, or any other form required to accompany animals or poultry as required in the regulations of the Department, shall have the certificate of health or permit, or any other form required to accompany animals or poultry as required in the regulations of the Department, attached to it at the time of its loading of such livestock for inspection by the Department at its destination and available for inspection by the Department at the time of its consignment and accompany all animals consigned and description of animals, and shall accompany all animals consigned to public stockyards.

- b) No livestock shall be delivered en route within the State or consigned to points out of the State. When severe weather conditions, closures for any reason of slaughter plants, stockyards or auction markets, or other extenuating circumstances arise and/or the welfare of the livestock being shipped warrants such a special permit for diversion

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

encoute shall be granted by the Department.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 85.115 *Salmonella enteritidis* serotype enteritidis

- a) The United States Department of Agriculture has declared *Salmonella enteritidis* serotype enteritidis as a communicable disease in poultry. The rules pertaining to *Salmonella enteritidis* serotype enteritidis located at 9 CFR 82.130-82.136 (1985) 1995 are hereby adopted for the State of Illinois. The flocks affected by these regulations are those identified in 9 CFR 82.131.
- b) All flocks found to be infected with *Salmonella enteritidis* serotype enteritidis shall be quarantined. The quarantine shall remain in effect until the flock has been depopulated and premises disinfected as prescribed in 9 CFR 82.132(c) of the entire flock is tested negative for *Salmonella enteritidis* serotype enteritidis in accordance with the provisions of 9 CFR 82.132(e).
- c) Interstate transport of live poultry, eggs, equipment and manure from infected or test flocks shall be as specified in 9 CFR 82.133. Interstate movement requirements shall be the same as interstate movement requirements.
- d) If a flock is determined to be an infected flock as defined in 9 CFR 82.131(c), the Department shall pay indemnity if State funds are available and all of the following conditions are met:
 - 1) The infected flock is implicated through epidemiological evidence in a human disease outbreak;
 - 2) The flock owner voluntarily agrees to depopulate with appropriate State indemnity;
 - 3) The entire flock which is to be depopulated shall have originated from a flock that is classified "U.S. Enteritidis" under the National Poultry Improvement Plan and Auxiliary Provisions (9 CFR 145 and 147 (1926 1995));
 - 4) The flock owner must have been feeding the infected flock in accordance with the provisions of the National Poultry Improvement Plan and Auxiliary Provisions (9 CFR 145.1(d)(1) 1995);
 - 5) The infected flock shall be slaughtered in accordance with 9 CFR 82.131(b). Proof of kill will be required by the Department by the meat and poultry inspector of the slaughtering establishment where the infected poultry is slaughtered;
 - 6) The premises has been disinfected in accordance with 9 CFR 82.132(c); and
 - 7) Replacement poultry shall be from flocks that are classified "U.S. S. Enteritidis" under the National Poultry Improvement Plan and Auxiliary Provisions.
- e) The amount of indemnity paid, based on the availability of State

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

funds, shall be 75 percent of the fair market value and the health thereof at the time of slaughter, minus the salvage value. The following conditions shall be considered when determining the fair market value and health of the infected flock:

- 1) The purchase price of each bird;
 - 2) Age of the birds and its egg production capabilities or value for producing progeny; and
 - 3) Feed and veterinary medical production costs as justified by documentation by the flock owner in the form of sales receipts and veterinary bills.
- f) The Department and the infected flock owner must agree upon the value of the poultry destroyed, and in the case as agreement cannot be made, indemnity will not be paid for the flock.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 85.125 Ratites

- a) All ratites (i.e. emus, kiwis, cassowaries, rheas, ostriches) entering Illinois shall comply with the following:
 - 1) be negative to a test for Avian Influenza within 10 days prior to importation;
 - 2) be accompanied by a Certificate of Veterinary Inspection issued within the past 30 days and accredited by the State of Illinois. The status of origin of the ratite must be determined by the United States Department of Agriculture indicating that the ratites are free from visible evidence of any contagious, infectious, or communicable disease or exposure thereto;
 - 3) be permanently identified by means of a leg band, wing band, neck band or microchip; and
 - 4) be accompanied by a permit issued by the Department. The permit number shall be issued to the veterinarian issuing the Certificate of Veterinary Inspection or the consignor of the ratites.
 - A) Applicant for the permit shall furnish the following information to the Department:
 - i) Name and address of Illinois destination;
 - ii) Name and address of consignor; and
 - iii) Number of ratites in shipment.
 - B) Grounds for refusal to issue a permit are:
 - i) Violation of the Act or any rule of this Part; and
 - ii) Evidence of a disease which might endanger the health of humans by industry.
 - b) Ratites imported into Illinois that have been kept isolated from other ratites or poultry on the premises for a minimum of 14 days.
- (Source: Amended at 20 Ill. Reg. _____, effective _____)

DEPARTMENT OF AGRICULTURE
NOTICE OF PROPOSED AMENDMENTSDEPARTMENT OF AGRICULTURE
NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Equine Infectious Anemia Control
- 2) Code Citation: 8 Ill. Adm. Code 116
- 3) Section Numbers: Proposed Action:
116.30
Amendment
116.40
Repealed
- 4) Statutory Authority: Illinois Equine Infectious Anemia Control Act (510 ILCS 65) (see P.A. 99-463).
- 5) A Complete Description of the Subjects and Issues Involved:

Amendments to Section 116.30 include: A time limit of ten days will be established for authorizing or shipping equine infectious anemia reactors following the confirmatory test. Diverting reactors en route to slaughter will be prohibited, if the reactor is going to be quarantined, a fifteen day time limit for having quarantine facilities in place will be established.

A provision in P.A. 99-463, effective 1/1/97, will require all members of the equine family being sold, leased, traded or loaned within the State to have a negative test for equine infectious anemia prior to sale. Section 116.40 will be repealed as this statutory amendment will negate the testing of slaughter horses at market.

- 6) Will this proposed rule replace an emergency rule in effect? No
- 7) Does this rulemaking contain an automatic repeal date? No
- 8) Does this proposed amendment contain incorporations by reference? No
- 9) Are there any other proposed amendments pending on this Part? No
- 10) Statement of Statewide Policy Objectives: Rule does not affect units of local governments.
- 11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: A 45-day written comment period will begin on the day the notice of rulemaking appears in the Illinois Register. In addition to the written comment period, a public hearing on the proposed amendments will be held on Wednesday, August 21, 1996 at 10:00 a.m., Department of Agriculture Building, 5th & Sanderson, State Fairgrounds, Springfield, Illinois. Please mail written comments on the proposed rulemaking to the attention of:

Debbie Wakefield
Department of Agriculture

ILLINOIS REGISTER

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

State Fairgrounds
P.O. Box 19291
Springfield, IL 62794-9281
(217) 785-5713; facsimile (217) 785-4505

In order for mailed comments to be available for consideration at the public hearing, please mail no later than August 15, 1996. All comments received will be fully considered by the agency and the Advisory Board of Livestock Commissioners.

The public hearing on the proposed rulemaking will run concurrently with a public meeting of the Advisory Board of Livestock Commissioners.

12) Initial Regulatory Flexibility Analysis:

- a) Types of small businesses, small municipalities and non-for-profit corporations affected: Horse owners and horse auction markets.
- b) Reporting, bookkeeping or other procedures required for compliance: The frames concerning vectors are established in Section 16.10.
- c) Types of professional skills necessary for compliance: No additional professional skills are required.

13) Regulatory agenda on which this rulemaking was summarized: July 1996

The full text of the Proposed Amendments begins on the next page:

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

TITLE 8: AGRICULTURE AND ANIMALS
CHAPTER 1: DEPARTMENT OF AGRICULTURE
SUBCHAPTER b: ANIMALS AND ANIMAL PRODUCTS
EXCEPT MEAT AND POULTRY INSPECTION ACT REGULATIONS)

PART 116
EQUINE INFECTIOUS ANEMIA CONTROL

Section

- | | |
|--------|--|
| 116.10 | Testing of Illinois Equidae |
| 116.20 | Restoring of Reactors |
| 116.30 | Quarantining of Reactors |
| 116.40 | Movement of Equidae Through Livestock Sales and Livestock Auction Markets (Repealed) |
| 116.50 | Falsification of Records |

AUTHORITY: Implementing and authorized by the Illinois Equine Infectious Anemia Control Act (510 ILCS 65).

SOURCE: Adopted at 18 Ill. Reg. 1861, effective January 24, 1994; amended at 20 Ill. Reg. 290, effective January 1, 1996; amended at 20 Ill. Reg. 1, effective 1/1/96.

Section 116.30 Quarantining of Reactors

If the owner of a known reactor does not wish to have the reactor quarantined and shipped to slaughter, the animal must be quarantined for life. The reactor must be kept at all times in an insect proof stall and cannot be removed from this enclosure, except to be euthanized or shipped to slaughter. All quarantine facilities must be in place within 5 days after the confirmation of the reactor. The reactor will be inspected on a regular basis by the Department and will be inspected on a regular basis by the Department to make sure that the reactor is being maintained properly. If the reactor is not being maintained properly, the reactor will be euthanized or shipped, if the reactor is not being maintained properly, and reactors shipped to slaughter cannot be divided and sold separately.

(Source: Amended at 2011, Reg. effective

Section 116.40 Movement of Equidae Through Livestock Sales and Livestock Auction Markets (Repealed)

項目	1990年	1991年	1992年	1993年	1994年	1995年	1996年	1997年	1998年	1999年	2000年	2001年	2002年	2003年	2004年	2005年	2006年	2007年	2008年	2009年	2010年	2011年	2012年	2013年	2014年	2015年	2016年	2017年	2018年	2019年	2020年	2021年	2022年	2023年	2024年	2025年	2026年	2027年	2028年	2029年	2030年	2031年	2032年	2033年	2034年	2035年	2036年	2037年	2038年	2039年	2040年	2041年	2042年	2043年	2044年	2045年	2046年	2047年	2048年	2049年	2050年	2051年	2052年	2053年	2054年	2055年	2056年	2057年	2058年	2059年	2060年	2061年	2062年	2063年	2064年	2065年	2066年	2067年	2068年	2069年	2070年	2071年	2072年	2073年	2074年	2075年	2076年	2077年	2078年	2079年	2080年	2081年	2082年	2083年	2084年	2085年	2086年	2087年	2088年	2089年	2090年	2091年	2092年	2093年	2094年	2095年	2096年	2097年	2098年	2099年	2100年	2101年	2102年	2103年	2104年	2105年	2106年	2107年	2108年	2109年	2110年	2111年	2112年	2113年	2114年	2115年	2116年	2117年	2118年	2119年	2120年	2121年	2122年	2123年	2124年	2125年	2126年	2127年	2128年	2129年	2130年	2131年	2132年	2133年	2134年	2135年	2136年	2137年	2138年	2139年	2140年	2141年	2142年	2143年	2144年	2145年	2146年	2147年	2148年	2149年	2150年	2151年	2152年	2153年	2154年	2155年	2156年	2157年	2158年	2159年	2160年	2161年	2162年	2163年	2164年	2165年	2166年	2167年	2168年	2169年	2170年	2171年	2172年	2173年	2174年	2175年	2176年	2177年	2178年	2179年	2180年	2181年	2182年	2183年	2184年	2185年	2186年	2187年	2188年	2189年	2190年	2191年	2192年	2193年	2194年	2195年	2196年	2197年	2198年	2199年	2200年	2201年	2202年	2203年	2204年	2205年	2206年	2207年	2208年	2209年	2210年	2211年	2212年	2213年	2214年	2215年	2216年	2217年	2218年	2219年	2220年	2221年	2222年	2223年	2224年	2225年	2226年	2227年	2228年	2229年	2230年	2231年	2232年	2233年	2234年	2235年	2236年	2237年	2238年	2239年	2240年	2241年	2242年	2243年	2244年	2245年	2246年	2247年	2248年	2249年	2250年	2251年	2252年	2253年	2254年	2255年	2256年	2257年	2258年	2259年	2260年	2261年	2262年	2263年	2264年	2265年	2266年	2267年	2268年	2269年	2270年	2271年	2272年	2273年	2274年	2275年	2276年	2277年	2278年	2279年	2280年	2281年	2282年	2283年	2284年	2285年	2286年	2287年	2288年	2289年	2290年	2291年	2292年	2293年	2294年	2295年	2296年	2297年	2298年	2299年	2300年	2301年	2302年	2303年	2304年	2305年	2306年	2307年	2308年	2309年	2310年	2311年	2312年	2313年	2314年	2315年	2316年	2317年	2318年	2319年	2320年	2321年	2322年	2323年	2324年	2325年	2326年	2327年	2328年	2329年	2330年	2331年	2332年	2333年	2334年	2335年	2336年	2337年	2338年	2339年	2340年	2341年	2342年	2343年	2344年	2345年	2346年	2347年	2348年	2349年	2350年	2351年	2352年	2353年	2354年	2355年	2356年	2357年	2358年	2359年	2360年	2361年	2362年	2363年	2364年	2365年	2366年	2367年	2368年	2369年	2370年	2371年	2372年	2373年	2374年	2375年	2376年	2377年	2378年	2379年	2380年	2381年	2382年	2383年	2384年	2385年	2386年	2387年	2388年	2389年	2390年	2391年	2392年	2393年	2394年	2395年	2396年	2397年</
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DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

only will have blood drawn for an equine infectious anemia test before leaving the sale or auction and will only be allowed to leave the premises on an equine slaughter certificate which must accompany the animal to slaughter. Immediate signage means the animal must be delivered to a slaughtering facility within ten days after purchase or possession. All equine consigned for slaughter only must be kept separate and apart from all other tested equidae.

(Source: Repealed at 20 Ill. Reg. _____, effective _____)

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

1) Heading of the Part: Illinois Pseudorabies Control Act

2) Code Citation: 8 Ill. Adm. Code 115

3) Section Numbers: Proposed Action:

115.40 Amendment

115.40 Amendment

115.50 Amendment

115.60 Repealed

115.80 Amendment

115.100 Amendment

4) Statutory Authority: Illinois Pseudorabies Control Act (510 ICS 30)

5) A Complete Description of the Subjects and Issues Involved: Definitions will be proposed in Section 115.40. Official random-sample tests that are used in conjunction with herd qualification.

Sections 115.40 and 115.50 will be revised to reflect the requirements under the State-Federal-Industry Program Standards for Pseudorabies eradication for establishing and maintaining qualified pseudorabies negative and qualified-negative gene-altered vaccinated herds. The testing requirements differed slightly from the state requirements. Guidelines for off-site facilities are also being proposed for both herd plans.

Section 115.60 is being repealed as no one has ever qualified under this plan in the State, and with Illinois achieving Stage II pseudorabies status, monitoring of feeder swine herds is no longer necessary.

Section 115.80 will be amended to adopt the current edition of the Program Standards, and Section 115.100 will be amended to adopt the current edition of the Code of Federal Regulations.

6) Will this proposed rule replace an emergency rule in effect? No

7) Does this rulemaking contain an automatic repeal date? No

8) Does this proposed amendment contain incorporations by reference? Yes

9) Are there any other proposed amendments pending in this Part? No

10) Statement of Statewide Policy Objectives: Rule does not affect units of local governments.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: A 45-day written comment period will begin on the day the notice of rulemaking appears in the Illinois Register. In

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

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Less than 100 head - test 15
100-200 head - test 51
201-999 head - test 57
1000 and over - test 59

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Less than 100 head - test 25
100-200 head - test 27
201-999 head - test 28
1000 and over - test 29

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(Source: Amended at 20 Ill. Reg. _____, effective _____)

a) Initial Requirements:

- 1) Herds which are not under quarantine for pseudorabies shall be initially qualified upon completion of one negative herd test of all breeding sows 6 months of age and over plus a number of progeny equal to 20 percent of the breeding sow population of the herd. Progeny shall be randomly selected from the sows between 1 and 6 months of age.
- 2) A minimum of 20 percent of the herd shall have been on the premises for at least 30 days OR shall have originated direct from another qualified pseudorabies negative herd.
- 3) If positive swine are disclosed in a herd in the process of becoming a qualified pseudorabies negative herd, the positive animals shall be immediately isolated from the remainder of the herd and be disposed of for slaughter OR be maintained on other premises separate and apart from that where the negative swine

4) A qualified pseudoclass negative hard may be established without a complete verb test if all the source originators of qualified pseudoclasses negative hard and within 1 day of the test all nine in the initial subject group in animals are hard and sound negative very early (less than 10 minutes) after the test. The test may be repeated at a later date. The test may be repeated at a later date.

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- [illegible]

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

Months of age conducted not less than 10 days after the last infected swine have been removed and the premises cleaned and disinfected. Such herd-test swine include all breeding swine 6 months of age and over.

c) Additions:

- 1) Swine originating in another qualified pseudorabies negative herd may enter Illinois qualified pseudorabies negative herd without test.
- 2) Swine originating from other than a qualified pseudorabies negative herd shall be negative to an official test for pseudorabies conducted not more than 30 days prior to entry into the herd, shall be held in isolation from the other members of the qualified herd, and shall be retested and negative to an official test for pseudorabies not less than 30 nor more than 60 days following entry.
- 3) Members of a qualified pseudorabies negative herd which are reintroduced to the herd after being commingled with swine from non-qualified pseudorabies negative herds shall be held in isolation from the herd premises for 30 days after return AND shall be tested and negative to an official test for pseudorabies before being reunited with other members of the qualified herd.

- d) Establishing and maintaining a qualified pseudorabies negative growth premises in which no adult breeding swine are maintained.

1) In herds where the pigs are moved within one week of weaning from a pseudorabies negative herd to either a growth or sales point, a pseudorabies test is not required.

2) Pseudorabies negative status may be attained in the growth facility by a monthly negative random sample test (95%) beginning within 30 days after the establishment of the herd, except that in all-in/all-out units, one test of 50 head is required of each group. If the breeding herd, growth and sales herds are all located in Illinois, testing is not required.

3) A swine negative status is attained in the sales point herd by a random negative random test of the entire initial herd. Pseudorabies negative status is maintained by monthly random official pseudorabies tests. Random swine selected at random from those that have been in the herd at least 30 days, except that in all-in/all-out units, one test of 50 head is required of each group. Each segregated group of swine in an individual premises must be considered a separate herd.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 115.50 Requirements For Establishing and Maintaining Pseudorabies Qualified-Gore-Altered Vaccinated (QGV) Swine Herds

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

a) Initial Requirements:

- 1) Pseudorabies qualified-negative generated vaccinated (QGV) herd status may be granted if (1) no swine in the herd are known to be infected with or exposed to pseudorabies and (2) the only swine official test for pseudorabies have been vaccinated with a swine official test for pseudorabies vaccine. All swine over 6 months of age shall be negative to an official test for pseudorabies. The herd shall be subjected to an approved differential pseudorabies test and all swine shall be negative. Property shall be randomly selected from swine between 1 and 6 months of age, herds which are negative to a pseudorabies test shall be granted pseudorabies negative status. Pseudorabies negative status is maintained by a random negative random test of the entire herd. Pseudorabies negative status is maintained by monthly random official pseudorabies tests. Random swine selected at random from those that have been in the herd at least 30 days, except that in all-in/all-out units, one test of 50 head is required of each group. Each segregated group of swine in an individual premises must be considered a separate herd.

b) Maintenance Requirements:

- 1) QGV Pseudorabies negative-generated-vaccinated herd status shall be maintained continuously by a negative test 10 to 25 percent of all breeding swine 6 months of age or older, and a number of offspring 4 to 6 months of age located on the same

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

penises as the breeding herd equal to 6 percent of the breeding animals in the herd the qualified herd at approximately each 90 days (80-105 days) or 7 percent of all breeding swine 6 months of age or older, and a number of offspring 4 to 6 months of age located on the same premises as the breeding herd equal to 2 percent of the breeding animals in the herd to percent of the qualified herd at approximately each 30 days (25-35 days). Upon approval from the Director, status may also be maintained on the basis of a monthly negative official random sample test (35/3) in each separate subdivision of breeding swine on a premises, and a monthly test of 50 offspring 4 to 6 months of age located on the same premises as the breeding herd. Sampling in the subdivision on the premises and the test protocol in the herd must be part of the breeding herd record and be subject to random audit from all groups of the Department of Agriculture. The test protocol shall be repeated every 25 to a number equal to 25 percent of the age and the breeding herd on the date of the maintenance test shall be included in the 25 to 35 percent of the herd. The same animals shall not be retested for qualification purposes in any 12-month period except during the first 12-month period following the initial qualification test. If the members of the qualified herd are maintained on more than one premises, 20 of 25 or 10 percent plus progeny of the swine on each premises shall be retested as required. If the 20 of 25 or 10 percent plus progeny tests are not conducted when due, the requalification requirements shall then be the same as for initial qualification. Progeny testing on multisite herds shall be as in subsection 115.10(d) of this Part.

4) Offspring to be retained in a pseudorabies-negative-gene-altered vaccinated herd breeding swine shall be tested and negative to an official test for pseudorabies upon reaching 10 months of age and shall then be vaccinated against pseudorabies with an approved vaccine in accordance with subsection 115.10(f) within 15 days after such test.

2) If a positive swine are disclosed on a maintenance test or on a test for any other purpose, QNV pseudorabies-negative-gene-altered vaccinated herd status shall be suspended. Positive swine shall be immediately isolated from the remainder of the herd and may be retested at owner's expense with the special laboratory test designated to determine vaccination titers from field exposure. If the swine are determined to be positive only as a result of vaccination titer, the QNV pseudorabies-negative-gene-altered vaccinated herd status will be restored. If the swine are determined to be infected with field virus, they shall be disposed of for slaughter or maintained on another premises separate and apart from that where the negative swine are maintained. The premises shall be cleaned and disinfected following removal of the positive swine and a retest conducted in

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

30 days on all unvaccinated swine 16 weeks of age and over. If the 30-day retest is negative, then all swine 16 weeks of age and older shall be retested again at the end of 30 days (60 days following the original positive swine), and, if negative, QNV pseudorabies-negative-gene-altered vaccinated herd status shall be reinstated.

- c) Additions:
- 1) Swine from any qualified pseudorabies negative herd may enter an Illinois QNV pseudorabies-negative-gene-altered vaccinated herd without test and shall be vaccinated in accordance with subsection 115.10(f) within 30 days after entry into the herd.
 - 2) Pseudorabies vaccinated swine originating from another QNV pseudorabies-negative-gene-altered vaccinated herd may enter an Illinois QNV pseudorabies-negative-gene-altered vaccinated herd upon evidence of a negative official test for pseudorabies conducted within 60 days prior to entry from another Illinois herd and within 30 days prior to entry from another state.
 - 3) Unvaccinated swine originating from an Illinois QNV pseudorabies-negative-gene-altered vaccinated herd may enter another Illinois QNV pseudorabies-negative-gene-altered vaccinated herd without a pseudorabies test and shall be vaccinated in accordance with subsection 115.10(f) within 30 days after entry into the herd.
 - 4) Swine originating within 30 days after entry into the herd, negative-gene-altered vaccinated herd from an official test for pseudorabies shall be negative to an official test for pseudorabies conducted within 30 days prior to entry into the herd from another Illinois herd and within 30 days prior to entry from another state. All such swine shall be held in isolation from the other members of the QNV pseudorabies-negative-gene-altered vaccinated herd, and shall be retested and negative to an official test for pseudorabies not less than 30 nor more than 60 days following entry. Swine shall then be vaccinated in accordance with subsection 115.10(f) within 30 days after entry into the herd.
 - 5) Swine from a QNV pseudorabies-negative-gene-altered vaccinated herd which are exhibited or are otherwise commingled with swine from any other herd shall be held in isolation on the herd premises for a minimum of 30 days after return AND shall be tested and negative to an official test for pseudorabies before being reunited with other members of the QNV pseudorabies-negative-gene-altered vaccinated herd.
 - 6) Additional swine originating from a negative-gene-altered vaccinated herd shall be negative to an official test for pseudorabies upon reaching 10 months of age and shall then be vaccinated against pseudorabies with an approved vaccine in accordance with subsection 115.10(f).
- d) Sales: Pseudorabies vaccinated swine originating from a QNV

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS
STATEMENT OF CESOPROF 30 ECTION

penicillin--negative--gene-tested--vaccinated herd may be loaned, leased, traded, or sold for breeding purposes within Illinois; provided, the purchaser is informed that the swine are from a QNV herd and are not to be used for breeding purposes in the vaccinated herd.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 115.60 Requirements for Establishing and Maintaining Feeder Swine Pseudorabies Monitored Herds (Repealed)

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項目	1990年	1991年	1992年	1993年	1994年	1995年	1996年	1997年	1998年	1999年	2000年	2001年	2002年	2003年	2004年	2005年	2006年	2007年	2008年	2009年	2010年	2011年	2012年	2013年	2014年	2015年	2016年	2017年	2018年	2019年	2020年	2021年	2022年	2023年	2024年	2025年	2026年	2027年	2028年	2029年	2030年	2031年	2032年	2033年	2034年	2035年	2036年	2037年	2038年	2039年	2040年	2041年	2042年	2043年	2044年	2045年	2046年	2047年	2048年	2049年	2050年	2051年	2052年	2053年	2054年	2055年	2056年	2057年	2058年	2059年	2060年	2061年	2062年	2063年	2064年	2065年	2066年	2067年	2068年	2069年	2070年	2071年	2072年	2073年	2074年	2075年	2076年	2077年	2078年	2079年	2080年	2081年	2082年	2083年	2084年	2085年	2086年	2087年	2088年	2089年	2090年	2091年	2092年	2093年	2094年	2095年	2096年	2097年	2098年	2099年	2100年	2101年	2102年	2103年	2104年	2105年	2106年	2107年	2108年	2109年	2110年	2111年	2112年	2113年	2114年	2115年	2116年	2117年	2118年	2119年	2120年	2121年	2122年	2123年	2124年	2125年	2126年	2127年	2128年	2129年	2130年	2131年	2132年	2133年	2134年	2135年	2136年	2137年	2138年	2139年	2140年	2141年	2142年	2143年	2144年	2145年	2146年	2147年	2148年	2149年	2150年	2151年	2152年	2153年	2154年	2155年	2156年	2157年	2158年	2159年	2160年	2161年	2162年	2163年	2164年	2165年	2166年	2167年	2168年	2169年	2170年	2171年	2172年	2173年	2174年	2175年	2176年	2177年	2178年	2179年	2180年	2181年	2182年	2183年	2184年	2185年	2186年	2187年	2188年	2189年	2190年	2191年	2192年	2193年	2194年	2195年	2196年	2197年	2198年	2199年	2200年	2201年	2202年	2203年	2204年	2205年	2206年	2207年	2208年	2209年	2210年	2211年	2212年	2213年	2214年	2215年	2216年	2217年	2218年	2219年	2220年	2221年	2222年	2223年	2224年	2225年	2226年	2227年	2228年	2229年	2230年	2231年	2232年	2233年	2234年	2235年	2236年	2237年	2238年	2239年	2240年	2241年	2242年	2243年	2244年	2245年	2246年	2247年	2248年	2249年	2250年	2251年	2252年	2253年	2254年	2255年	2256年	2257年	2258年	2259年	2260年	2261年	2262年	2263年	2264年	2265年	2266年	2267年	2268年	2269年	2270年	2271年	2272年	2273年	2274年	2275年	2276年	2277年	2278年	2279年	2280年	2281年	2282年	2283年	2284年	2285年	2286年	2287年	2288年	2289年	2290年	2291年	2292年	2293年	2294年	2295年	2296年	2297年	2298年	2299年	2300年	2301年	2302年	2303年	2304年	2305年	2306年	2307年	2308年	2309年	2310年	2311年	2312年	2313年	2314年	2315年	2316年	2317年	2318年	2319年	2320年	2321年	2322年	2323年	2324年	2325年	2326年	2327年	2328年	2329年	2330年	2331年	2332年	2333年	2334年	2335年	2336年	2337年	2338年	2339年	2340年	2341年	2342年	2343年	2344年	2345年	2346年	2347年	2348年	2349年	2350年	2351年	2352年	2353年	2354年	2355年	2356年	2357年	2358年	2359年	2360年	2361年	2362年	2363年	2364年	2365年	2366年	2367年	2368年	2369年	2370年	2371年	2372年	2373年	2374年	2375年	2376年	2377年	2378年	2379年	2380年	2381年	2382年	2383年	2384年	2385年	2386年	2387年	2388年	2389年	2390年	2391年	2392年	2393年	2394年	2395年	2396年	2397年</
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NOTICE OF PROPOSED AMENDMENTS

THE UNIVERSITY OF CHICAGO

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DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

(Source: Repealed at 20 Ill. Reg. _____, effective _____)

Section 115.80 Pseudorabies Testing of Feeder Swine

a) Swine for feeding purposes shall, in addition to complying with the other requirements of this Part and 8 Ill. Adm. Code 105.10, enter or move within Illinois without further testing requirements for pseudorabies.

- 1) The swine are from a qualified pseudorabies negative herd, a QNV pseudorabies herd, a registered-recruited-herd, or a feeder swine pseudorabies monitoring herd.
 - 2) The swine are from a herd in which each or representative sample of animals 6 months of age and over have been tested and are negative to an official serological test for pseudorabies within the preceding 12 months. In herds of 15 animals or less, a representative sample is all swine 6 months of age and over or at least 10 animals, whichever is less. In herds of 36 animals or more, a representative sample is a minimum of 30 percent or 30 animals that are 6 months of age and over, whichever is less; or
 - 3) The swine originate from a state that has been classified as Stage III, IV or V under the Pseudorabies Eradication State-Federal-Industry Program Standards (Jan., 1965) as approved by the United States Animal Health Association (P.O. Box 28176, Suite 135, 6924 Lakeside Avenue, Richmond, Virginia 23268-0176) or originate from a country that meets the requirements for Stage V. If there are multiple pseudorabies classifications within a state, the lowest classification shall be recognized by this Department as the classification for that entire country.
- b) Swine tested for pseudorabies under a market swine testing program (Section 115.100) shall be included in the representative sample required in subsection (a)(2).

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 115.100 Breeding Animals Consigned to Slaughter

Before being mixed with swine from any other source, all breeding animals consigned to slaughter or offered for sale for slaughter shall be identified to the herd of origin by an approved identification tag in accordance with the Swine Identification Program (9 CFR 78.33, 13651995). The tag shall be applied to the back of the neck of each animal. A report of such identification shall be made on forms provided by the United States Department of Agriculture and shall be submitted to the Department within 30 days of application. If such swine are slaughtered in Illinois, the management of the Illinois slaughter facility shall, upon written request from the Department or from the U.S.

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

Department of Agriculture, provide for or permit the collection of blood samples for testing from the identified swine.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Livestock Auction Markets
- 2) Code Citation: 8 Ill. Adm. Code 40
- 3) Section Numbers:
40-50
Amendment 40-60
Amendment 40-60
Amendment 40-60
Amendment 40-60
- 4) Statutory Authority: Livestock Auction Market Law (225 ILCS 640) and Section 40-23 of the Civil Administrative Code of Illinois (20 ILCS 205.40-23).

5) A Complete Description of the Subjects and Issues Involved: In Sections 40-50, 40-60 and 40-60, language is being added to prohibit the offering of slaughter animals en route to the slaughter facility. Language also being added in Section 40-60(c) to prohibit the sale of any reactor or suspect animal after the animal has been bought, without the approval of the Department.

6) Will this proposed rule replace an emergency rule in effect? No

7) Does this rulemaking contain an automatic repeal date? No

8) Does this proposed amendment contain incorporations by reference? No

9) Are there any other proposed amendments pending on this Part? No

10) Statement of Statewide Policy Objectives: Rule does not affect units of local governments.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: A 45-day written comment period will begin on this day the notice of rulemaking appears in the Illinois Register. In addition to the written comment period, a public hearing on the proposed amendments will be held on Wednesday, August 21, 1996 at 10:00 AM, Department of Agriculture Building, 8th & Sangamon, State Parkgrounds, Springfield, Illinois. Please mail written comments on the proposed rulemaking to the attention of:

Debbie Wakefield
Department of Agriculture
State Parkgrounds
P.O. Box 1688
Springfield, IL 62794-0288
(217) 785-5711; facsimile (217) 785-1505

In order for mailed comments to be available for consideration at the

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

Public hearing, please mail no later than August 15, 1996. All comments received will be fully considered by the Agency and the Advisory Board of Livestock Commissioners.

The public meeting of the Advisory Board of Livestock Commissioners will run concurrently with a public meeting of the Advisory Board of Livestock Commissioners.

12) Initial Regulatory Flexibility Analysis:

A) Types of small businesses, small municipalities and not-for-profit corporations affected: Slaughter buyers.

B) Reporting, bookkeeping or other procedures required for compliance: Appropriate forms must accompany slaughter animals en route to slaughter facilities.

C) Types of professional skills necessary for compliance: No additional professional skills are required.

13) Regulatory agenda on which this rulemaking was summarized: July 1996

The full text of the Proposed Amendments begins on the next page.

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

TITLE 8: AGRICULTURE AND ANIMALS
CHAPTER 1: DEPARTMENT OF AGRICULTURE
SUBCHAPTER 5: ANIMALS AND ANIMAL PRODUCTS
(EXCEPT MEAT AND POULTRY INSPECTION ACT REGULATIONS)

PART 40

LIVESTOCK AUCTION MARKETS

Section	
40.5	Definitions
40.10	Fee to accompany Application Not to Be Refunded
40.20	Release of Livestock for Interstate Shipment
40.30	Veterinary Inspection
40.40	Veterinary Office
40.50	Detection of Diseased Animals
40.60	Bovine Brucellosis
40.70	Quarantine Pen
40.80	The Sale of Livestock for Immediate Slaughter
40.90	Test Chute
40.100	Brucellosis Test
40.110	Sale of Official Brucellosis Cardstock Vaccinates
40.120	Feeder Cattle Subject to Quarantine
40.130	Backtracking
40.140	Yarding and Housing
40.150	Display License (Repealed)
40.160	Safe Day
40.170	Swine Which React to Test for Brucellosis
40.180	Swine Which React to Test for Brucellosis
40.190	Swine Bonds and Other Pledged Security
40.200	Cancellation of Escrow Agreement (Personal Bonds) (Repealed)
40.210	Swine Movement Limitation (Repealed)
40.220	Disposition of Rejected Feeding or Breeding Swine
40.230	Director to Be Named Trustee (Repealed)

AUTHORITY: Implementing and authorized by the Livestock Auction Market Law (235 ILCS 440) and Section 40.13 of the Civil Administrative Code of Illinois (20 ILCS 235.40-23).

SOURCE: Regulations Relating to Livestock Auction Markets, filed January 17, 1972, effective January 27, 1972; filed May 3, 1972, effective May 13, 1972; filed December 14, 1973, effective December 24, 1973; filed March 2, 1976, effective March 12, 1976; amended at 2 ill. Reg. 44, p. 73, effective June 15, 1976; codified at 5 ill. Reg. 1347; amended at 8 ill. Reg. 596, effective June 15, 1984; amended at 10 ill. Reg. 954, effective May 11, 1986; amended at 11 ill. Reg. 131, effective January 27, 1989; amended at 14 ill. Reg. 1743, effective July 1, 1990; amended at 16 ill. Reg. 11793, effective July 9, 1992; amended at 18 ill. Reg. 1869, effective January 24, 1994; amended at 20

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

TITLE 8: AGRICULTURE AND ANIMALS
CHAPTER 1: DEPARTMENT OF AGRICULTURE
SUBCHAPTER 5: ANIMALS AND ANIMAL PRODUCTS
(EXCEPT MEAT AND POULTRY INSPECTION ACT REGULATIONS)

Section 40.50 Detection of Diseased Animals

Diseased livestock, not detected prior to unloading, shall be placed in the quarantine pen. Such livestock may be sold through the auction ring at the completion of the regular sale for slaughter only. Each animal shall be identified with an Illinois slaughter tag, and the information recorded on Form C-24a, revised, which shall accompany each animal to slaughter. All livestock from the quarantine pen shall be delivered to a Federal or State inspected slaughtering establishment or to a public stockyard, and shall not be diverted en route, or to a licensed dead animal disposal unit or be quarantined back to the original owner, at the option of the owner.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 40.60 Bovine Brucellosis

a) Cattle which, upon being tested for brucellosis at a livestock auction market, are classified as reactors to the official test, shall be placed in the quarantine pen and sold for immediate slaughter.
b) The reactors when sold for slaughter shall be delivered to a public stockyard or recognized slaughtering establishment and be positively identified and branded as provided by Section 5 of the Illinois Bovine Brucellosis eradication Act (510 ILCS 30/5). The purchaser of the reactors shall sign a VS Form 1-27, "Permit for Movement of Animals." Illinois brucellosis reactors disclosed at other than a livestock auction market may be assigned to a livestock auction market designated as a marketing center if accompanied by official VS Form 1-27, "Permit for Movement of Animals." A new VS Form 1-27 shall be prepared by the livestock auction market veterinarian and shall accompany the reactor to slaughter and shall not be diverted en route and limited only to the destination listed on the VS Form 1-27. NO reactor shall be sold or transported to a slaughterhouse or other destination without the approval of the Department of Agriculture.

c) When one or more brucellosis reactors are disclosed in a group of cattle, the negative cattle which have been in contact with the reactors for more than 24 hours shall be either returned to the farm of origin under quarantine OR shipped directly to a recognized slaughtering establishment or a public stockyard, accompanied by VS Form 1-27 to be sold for slaughter only and shall not be diverted en route and shall go only to the destination listed in the VS Form 1-27. NO change of ownership of any reactor or suspect animal after the animal has been bought shall be allowed without the approval of the Department. Unless cattle are being returned to the farm of origin,

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

they shall be identified by an ear tag provided by the Department and by branding with a hot iron on the left jaw in letters not less than 2 nor more than 3 inches in height, before the cattle leave the livestock auction market.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 40.180 Swine Which React to Test for Brucellosis

Any swine which, upon being tested for brucellosis at a livestock auction market, react to an official brucellosis test shall be placed in the quarantine pen and sold for slaughter only. The reactor shall be identified with a reactor identification tag. The animal, when sold, shall be accompanied by Form H-63 and shall be delivered to State or Federal inspected slaughter establishment and shall be directly to the destination listed on Form H-63 and is not to be diverted elsewhere. Such swine may not be sold for feeding or breeding purposes.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Livestock Dealer Licensing
- 2) Code Citation: 68 Ill. Adm. Code 610
- 3) Section Number: Proposed Action: Amendment 610.60
- 4) Statutory Authority: Illinois Livestock Dealer Licensing Act (225 ILCS 943)
- 5) A Complete Description of the Subjects and Issues Involved: Language is being added to prohibit the diversion of more of diseased slaughter animals and to assure that all required paperwork accompany the animals.
- 6) Will this proposed rule replace an emergency rule in effect? No
- 7) Does this rulemaking contain an automatic repeal later? No
- 8) Does this proposed amendment contain incorporations by reference? No
- 9) Are there any other proposed amendments pending on this Part? No
- 10) Statement of Statewide Policy Objectives: Rule does not affect units of local governments.
- 11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: A 45-day written comment period will begin on the date this notice of rulemaking appears in the Illinois Register. In addition to the written comment period, a public hearing on the proposed amendments will be held on Wednesday, August 21, 1996 at 10:00 a.m., Department of Agriculture Building, 800 North Sangamon, State Fairgrounds, Springfield, Illinois. Please mail written comments on the proposed rulemaking to the attention of:

Debbie Wakefield
Department of Agriculture
State Fairgrounds, P.O. Box 19281
Springfield, IL 62794-9281
217/789-5713; Facsimile 217/785-4535

In order for mailed comments to be available for consideration at the public hearing, please mail to later than August 15, 1996. All comments received will be fully considered by the agency and the Advisory Board of Livestock Commissioners.

The public hearing on the proposed rulemaking will run concurrently with a public meeting of the Advisory Board of Livestock Commissioners.

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

- 12) Initial Regulatory Flexibility Analysis:
- Types of small businesses, small municipalities, and not-for-profit corporations affected. Livestock dealers.
 - Reporting, bookkeeping, or other procedures required for compliance.
 - Appropriate paperwork must accompany the diseased animals.
 - Types of professional skills necessary for compliance. No additional skills are required.

- 13) Regulatory agenda on which this rulemaking was summarized. July 1996

The full text of the Proposed Amendments begins on the next page.

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

TITLE 68: PROFESSIONS AND OCCUPATIONS
CHAPTER II: DEPARTMENT OF AGRICULTURE

PART 610

LIVESTOCK DEALER LICENSING

Section

- 610.5 Definitions
610.10 Entry Requirements
610.20 Breeding Cattle Health Requirements (Repealed)
610.30 Swine Health Requirements
610.40 Prevention of Spread of Livestock Diseases
610.50 Feeder Cattle
610.60 Slaughter Animals
610.70 Care of Livestock (Repealed)
610.80 Inspection
610.90 Certification
610.100 Certification Not to be Removed or Altered
610.110 Comprehensive Market Status Identification Program
610.120 Slaughter and Slaughter Security
610.130 Cancellation of License
610.140 Director as Trustee on Surety Bonds (Repealed)
610.150 Dealer's Agent (Repealed)
610.160 License Application

AUTHORITY: Implementing and authorized by the Illinois Livestock Dealer Licensing Act [225 ILCS 645].

SOURCE: Rules and Regulations Relating to the Livestock Dealer Licensing Act, filed January 17, 1972, effective January 27, 1972; amended May 3, 1972, effective May 13, 1972; June 20, 1973, effective July 1, 1973; April 5, 1976, effective April 15, 1976; amended at 2 Ill. Reg. 34, P. 166, effective August 24, 1978; codified at 5 Ill. Reg. 10573; amended at 9 Ill. Reg. 5973, effective April 23, 1984; amended at 13 Ill. Reg. 1690, effective March 13, 1989; amended at 18 Ill. Reg. 1875, effective January 23, 1994; amended at 20 Ill. Reg. 1532, effective January 12, 1996; amended at 20 Ill. Reg. _____, effective _____.

Section 610.60 Slaughter Animals

Livestock dealers purchasing animals for slaughter purposes only (cattle, swine or sheep) shall:

- Keep slaughter animals isolated from all breeding and feeder animals.
 - Be sold within 10 days of purchase direct to a public stockyard or recognized slaughter establishment under State or Federal supervision.
- Slaughter cattle from farm of origin may be consigned direct to a recognized slaughter establishment, or public stockyard, or licensed livestock auction market under State or Federal supervision (except the type of cattle mentioned in subsection (C) below).

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENTS

- c) Maintain records on each head of livestock purchased in accordance with Section 17 of the Illinois Livestock Dealer Licensing Act (ILCS 645/17). Livestock purchased at less than prevailing market price, such as cows with squamous cell carcinoma (cancer) eyes, crippled animals, and animals whose general physical appearance would indicate they are not healthy or are suffering from malnutrition shall be consigned directly to a recognized slaughtering establishment under State or Federal supervision.

- d) Diseased livestock accompanied by official form(s) shall not be directed to a "cure." Diseased livestock dealers shall have all official forms accompanying the diseased livestock to the destination listed on the forms.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENT

- 1) Heading of the Part: Swine Disease Control and Eradication Act
2) Code Citation: 8 Ill. Adm. Code 105
3) Section Numbers:
105.10 Proposed Action:
Amendment
105.20
Amendment
105.30
Amendment
4) Statutory Authority: Implementing and authorized by the Illinois Swine Disease Control and Eradication Act (510 ILCS 100), the Illinois Pseudorabies Control Act (510 ILCS 90), and the Illinois Swine Bruce's Cells Eradication Act (510 ILCS 95).

- 5) A Complete Description of the Subjects and Issues Involved: Provisions in Section 115.20 of the Illinois Pseudorabies Control Act regulate currently exempt feeder swine from qualified pseudorabies negative or pseudorabies negative gene-altered vaccinated herds, states or countries classified as Stage III, IV or V under the Pseudorabies Eradication State/Federal-Industry Program Standards from a test prior to importation into Illinois. This wording will also be added to Section 105.10 in an effort to locate all import requirements in one area.

Clarification on the mailing address for the Illinois destination for permits is included in both Section 105.10 and 105.30. Indicate that the complete mailing address, not just the name and town, is required for a permit. This is necessary, especially for breeding animals. Permits are sent out to the purchaser in Illinois informing that person as to the required post entry test. Section 105.30 will be amended to include the current edition of the program standards.

In Section 105.20, the required report from the owner in the condition of imported feeder swine is being deleted as the Department no longer requires this report.

- 6) Will this proposed rule replace an emergency rule in effect? No
7) Does this rulemaking contain an automatic repeal date? No
8) Does this proposed amendment contain incorporations by reference? Yes
9) Are there any other proposed amendments pending in this Part? No
10) Statement of Statewide Policy Objectives: Rule does not affect units of local governments.
11) Time, Place and Manner in which interested persons may comment on this Proposed rulemaking: A 45-day written comment period will begin on the

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENT

14010, effective August 16, 1993; amended at 18 Ill. Reg. 1880, effective January 21, 1994; amended at 18 Ill. Reg. 1796B, effective January 19, 1995; amended at 20 Ill. Reg. 1563, effective January 12, 1996; amended at 20 Ill. Reg. _____, effective _____.

Section 105.10 Swine Entering Illinois for Feeding Purposes Only

- a) Feeder swine, except feral swine, may enter Illinois provided they are identified by an ear tag or tattoo in the right ear showing state of origin and accompanied by a permit from the Department and an official health certificate.

- b) Official health certificate shall:

- 1) Be issued by an accredited veterinarian of the state of origin or a veterinarian in the employ of the United States Department of Agriculture.
- 2) Be approved by the Animal Health Official of state of origin.
- 3) Show that the feeder swine are free from visible evidence of any contagious, infectious, or communicable disease or exposure thereto.
- 4) Show that the feeder swine are not from a quarantined herd and/or area.
- 5) List number and description of the feeder swine, tattoos, ear tag series or location of ear tag records when pigs originate from cooperative feeder pig sales; and
- 6) Show that the swine originated from a herd in which a representative sample of the breeding herd has been tested and found negative for pseudorabies (9 Ill. Adm. Code 115.80). Officials from a qualified pseudorabies negative or pseudorabies eradicated vaccinated herd or originate from a state that has been classified as Stage III, IV or V under the Pseudorabies Eradication State-Federal Industry Program Standards (June 1961) as approved by the United States Animal Health Association (P.O. Box 3078, 1176, Suite 205, 924 Lakeside Avenue, West, Virginia 22208-1176) or originate from a country that was the Virginia 22208-1176.

When the Virginia 22208-1176 is approved by the United States Animal Health Association, the classification of the state, the lowest pseudorabies classification for Stage V, if there are multiple classifications shall be the classification of this Department as the classification for that entire state.

- c) Permits:

- 1) Permits to import feeder swine shall only be issued for:
 - A) An Illinois licensed feeder swine dealer; and
 - B) A person importing pigs to feed on his own premises and not for resale other than to slaughter.

- 2) Applicant for permit shall furnish the following information to the Department:

- A) Name and complete mailing address of Illinois destination.
- B) Name and address of consignor.
- C) Number of swine in shipment.

- 3) Show any swine to be negative to an official test for

- a) Swine for breeding purposes, except feral swine, may enter Illinois provided they are accompanied by a permit from the Department and an official health certificate.

- b) Official health certificate shall:

- 1) Be issued by an accredited veterinarian of the state of origin or by a veterinarian in the employ of the United States Department of Agriculture.
- 2) Be approved by the Animal Health Official of the state of origin.
- 3) Identify each animal by registration number, ear tag, tattoo, or ear notch approved by the respective breed registry, or
- 4) Show the swine are free from visible evidence of contagious, infectious, or communicable disease;
- 5) Show that the swine are not from a quarantined herd and/or area;
- 6) Show any swine note more than 4 months of age to be negative to an official test for brucellosis, conducted by an approved laboratory within 30 days prior to entry, OR that the swine originate from a validated brucellosis-free herd, with validated herd number and validation date listed on the health certificate, OR that the swine originate from a validated brucellosis-free herd (Swine Brucellosis Eradication Uniform Methods and Rules Association, 1995) as approved by the United States Animal Health Association (P.O. Box 3078, 1176, Suite 205, 924 Lakeside Avenue, West, Virginia 22208-1176).

- 7) Show any swine to be negative to an official test for

- a) Swine for breeding purposes, except feral swine, may enter Illinois provided they are accompanied by a permit from the Department and an official health certificate.

- b) Official health certificate shall:

- 1) Be issued by an accredited veterinarian of the state of origin or by a veterinarian in the employ of the United States Department of Agriculture.
- 2) Be approved by the Animal Health Official of the state of origin.
- 3) Identify each animal by registration number, ear tag, tattoo, or ear notch approved by the respective breed registry, or
- 4) Show the swine are free from visible evidence of contagious, infectious, or communicable disease;
- 5) Show that the swine are not from a quarantined herd and/or area;
- 6) Show any swine note more than 4 months of age to be negative to an official test for brucellosis, conducted by an approved laboratory within 30 days prior to entry, OR that the swine originate from a validated brucellosis-free herd, with validated herd number and validation date listed on the health certificate, OR that the swine originate from a validated brucellosis-free herd (Swine Brucellosis Eradication Uniform Methods and Rules Association, 1995) as approved by the United States Animal Health Association (P.O. Box 3078, 1176, Suite 205, 924 Lakeside Avenue, West, Virginia 22208-1176).

- 7) Show any swine to be negative to an official test for

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENT

- 3) Grounds for refusal to issue a permit are:

- A) Violation of the Act or any rule of this Part.

- B) If a person should be licensed under the Illinois Feeder Swine Dealer Licensing Act (225 ILCS 520) and his or her license is not in good standing with the Department.

- C) Presence of a disease which might endanger the Illinois swine industry.

- (Source: Amended at 20 Ill. Reg. _____, effective _____)

- Section 105.20 Quarantine of Imported Feeder Swine

Feeder swine imported from other states shall be subject to quarantine at destination for a period of twenty-one (21) days. The owner shall register the conditions of each feeder swine at the expiration of the quarantine period in forms prescribed by the Department.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

- a) Swine for breeding purposes, except feral swine, may enter Illinois provided they are accompanied by a permit from the Department and an official health certificate.

- b) Official health certificate shall:

- 1) Be issued by an accredited veterinarian of the state of origin or by a veterinarian in the employ of the United States Department of Agriculture.
- 2) Be approved by the Animal Health Official of the state of origin.
- 3) Identify each animal by registration number, ear tag, tattoo, or ear notch approved by the respective breed registry, or
- 4) Show the swine are free from visible evidence of contagious, infectious, or communicable disease;
- 5) Show that the swine are not from a quarantined herd and/or area;
- 6) Show any swine note more than 4 months of age to be negative to an official test for brucellosis, conducted by an approved laboratory within 30 days prior to entry, OR that the swine originate from a validated brucellosis-free herd, with validated herd number and validation date listed on the health certificate, OR that the swine originate from a validated brucellosis-free herd (Swine Brucellosis Eradication Uniform Methods and Rules Association, 1995) as approved by the United States Animal Health Association (P.O. Box 3078, 1176, Suite 205, 924 Lakeside Avenue, West, Virginia 22208-1176).

- 7) Show any swine to be negative to an official test for

- a) Swine for breeding purposes, except feral swine, may enter Illinois provided they are accompanied by a permit from the Department and an official health certificate.

- b) Official health certificate shall:

- 1) Be issued by an accredited veterinarian of the state of origin or by a veterinarian in the employ of the United States Department of Agriculture.
- 2) Be approved by the Animal Health Official of the state of origin.
- 3) Identify each animal by registration number, ear tag, tattoo, or ear notch approved by the respective breed registry, or
- 4) Show the swine are free from visible evidence of contagious, infectious, or communicable disease;
- 5) Show that the swine are not from a quarantined herd and/or area;
- 6) Show any swine note more than 4 months of age to be negative to an official test for brucellosis, conducted by an approved laboratory within 30 days prior to entry, OR that the swine originate from a validated brucellosis-free herd, with validated herd number and validation date listed on the health certificate, OR that the swine originate from a validated brucellosis-free herd (Swine Brucellosis Eradication Uniform Methods and Rules Association, 1995) as approved by the United States Animal Health Association (P.O. Box 3078, 1176, Suite 205, 924 Lakeside Avenue, West, Virginia 22208-1176).

- 7) Show any swine to be negative to an official test for

- a) Swine for breeding purposes, except feral swine, may enter Illinois provided they are accompanied by a permit from the Department and an official health certificate.

- b) Official health certificate shall:

- 1) Be issued by an accredited veterinarian of the state of origin or by a veterinarian in the employ of the United States Department of Agriculture.
- 2) Be approved by the Animal Health Official of the state of origin.
- 3) Identify each animal by registration number, ear tag, tattoo, or ear notch approved by the respective breed registry, or
- 4) Show the swine are free from visible evidence of contagious, infectious, or communicable disease;
- 5) Show that the swine are not from a quarantined herd and/or area;
- 6) Show any swine note more than 4 months of age to be negative to an official test for brucellosis, conducted by an approved laboratory within 30 days prior to entry, OR that the swine originate from a validated brucellosis-free herd, with validated herd number and validation date listed on the health certificate, OR that the swine originate from a validated brucellosis-free herd (Swine Brucellosis Eradication Uniform Methods and Rules Association, 1995) as approved by the United States Animal Health Association (P.O. Box 3078, 1176, Suite 205, 924 Lakeside Avenue, West, Virginia 22208-1176).

- 7) Show any swine to be negative to an official test for

- a) Swine for breeding purposes, except feral swine, may enter Illinois provided they are accompanied by a permit from the Department and an official health certificate.

- b) Official health certificate shall:

- 1) Be issued by an accredited veterinarian of the state of origin or by a veterinarian in the employ of the United States Department of Agriculture.
- 2) Be approved by the Animal Health Official of the state of origin.
- 3) Identify each animal by registration number, ear tag, tattoo, or ear notch approved by the respective breed registry, or
- 4) Show the swine are free from visible evidence of contagious, infectious, or communicable disease;
- 5) Show that the swine are not from a quarantined herd and/or area;
- 6) Show any swine note more than 4 months of age to be negative to an official test for brucellosis, conducted by an approved laboratory within 30 days prior to entry, OR that the swine originate from a validated brucellosis-free herd, with validated herd number and validation date listed on the health certificate, OR that the swine originate from a validated brucellosis-free herd (Swine Brucellosis Eradication Uniform Methods and Rules Association, 1995) as approved by the United States Animal Health Association (P.O. Box 3078, 1176, Suite 205, 924 Lakeside Avenue, West, Virginia 22208-1176).

- 7) Show any swine to be negative to an official test for

- a) Swine for breeding purposes, except feral swine, may enter Illinois provided they are accompanied by a permit from the Department and an official health certificate.

- b) Official health certificate shall:

- 1) Be issued by an accredited veterinarian of the state of origin or by a veterinarian in the employ of the United States Department of Agriculture.
- 2) Be approved by the Animal Health Official of the state of origin.
- 3) Identify each animal by registration number, ear tag, tattoo, or ear notch approved by the respective breed registry, or
- 4) Show the swine are free from visible evidence of contagious, infectious, or communicable disease;
- 5) Show that the swine are not from a quarantined herd and/or area;
- 6) Show any swine note more than 4 months of age to be negative to an official test for brucellosis, conducted by an approved laboratory within 30 days prior to entry, OR that the swine originate from a validated brucellosis-free herd, with validated herd number and validation date listed on the health certificate, OR that the swine originate from a validated brucellosis-free herd (Swine Brucellosis Eradication Uniform Methods and Rules Association, 1995) as approved by the United States Animal Health Association (P.O. Box 3078, 1176, Suite 205, 924 Lakeside Avenue, West, Virginia 22208-1176).

- 7) Show any swine to be negative to an official test for

- a) Swine for breeding purposes, except feral swine, may enter Illinois provided they are accompanied by a permit from the Department and an official health certificate.

- b) Official health certificate shall:

- 1) Be issued by an accredited veterinarian of the state of origin or by a veterinarian in the employ of the United States Department of Agriculture.
- 2) Be approved by the Animal Health Official of the state of origin.
- 3) Identify each animal by registration number, ear tag, tattoo, or ear notch approved by the respective breed registry, or
- 4) Show the swine are free from visible evidence of contagious, infectious, or communicable disease;
- 5) Show that the swine are not from a quarantined herd and/or area;
- 6) Show any swine note more than 4 months of age to be negative to an official test for brucellosis, conducted by an approved laboratory within 30 days prior to entry, OR that the swine originate from a validated brucellosis-free herd, with validated herd number and validation date listed on the health certificate, OR that the swine originate from a validated brucellosis-free herd (Swine Brucellosis Eradication Uniform Methods and Rules Association, 1995) as approved by the United States Animal Health Association (P.O. Box 3078, 1176, Suite 205, 924 Lakeside Avenue, West, Virginia 22208-1176).

- 7) Show any swine to be negative to an official test for

DEPARTMENT OF AGRICULTURE

NOTICE OF PROPOSED AMENDMENT

pedureals conducted by an approved laboratory within 30 days prior to entry OR that the same originated from a qualified pedureals negative herd, with the qualified herd number and qualification date listed on the health certificate, OR that the same originated from a country that meets the requirements for Stage V or from a state that has been classified as Stage IV or Stage V under the Pedureals Tradication State-Pedureals Program Standards (January 1, 1995 to 1995) as approved by the United States Animal Health Association (P.O. Box 9274, Suite 114, 1510 Forest Avenue, Richmond, Virginia 23261). If there are multiple pedureals classifications within a state, the lowest classification shall be recognized by this Department as the classification for that state. Incorporation by reference does not include any amendments or editions beyond the state described.

- c) Permits:
 - 1) Permits to import breeding swine shall be issued by telephoning or visiting the Department.
 - 2) Applicant for permit shall furnish the following information to the Department:
 - Name and complete mailing address of Illinois destination;
 - Name and address of consignor; and
 - Number of swine in shipment.
 - 3) Grounds for refusal to issue a permit are:
 - A) Violation of the Act or any rule of this part; and
 - B) Presence of a disease which might endanger the Illinois swine industry.

d) Imported breeding animals shall be kept isolated until a percentage of the imported breeding swine are tested and negative to an official test for pseudorabies conducted not less than 11 days nor more than 90 days after entering Illinois. If the number of imported breeding animals is 15 or less, all or at least 10 animals, whichever is less, are to be tested. If more than 15 imported breeding animals are involved, a minimum of 30 percent or 30 animals, whichever is less, is to be tested. Swine originating from a country that meets the requirements for Stage IV or a state that has been classified as Stage IV or Stage V under the Pseudorabies Eradication State-Private-Industry Program Standards are exempt from the isolation and testing provisions. There are multiple pseudorabies classifications within a state; the lowest classification shall be recognized by that department as the classification that entire state.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Jacqueline Nottingham, Chief
Office of Rules and Procedure
Department of Children and Families

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Rate Setting
- 2) Code Citation: 89 Ill. Adm. Code 356
- 3)

Section Number:	Proposed Action:
356.1	Renumber
356.2	Renumber; Amend
356.3	Renumber; Amend
356.4	Renumber; Amend
356.5	Renumber; Amend
356.6	Renumber; Amend
356.7	Renumber; Amend
- 4) Statutory Authority: 10 ILCS 409/5a
- 5)

A Complete Description of the Sub-parts and Issues Involved: The Department of Children and Family Services will be providing the child care institutions, group homes, maternity center and nether providers with which it contracts with a three per cent cost of living adjustment from the amount paid to the provider effective June 30, 1986. This cost of living adjustment is effective for the period from July 1, 1986 through June 30, 1987 (State Fiscal Year 1987) and, for State Fiscal Year 1987, periodic adjustment shall be established biennially. This means that the cost of living rate adjustment will be determined at the beginning of each fiscal year. The Department has established biennially cost indexing rate adjustments based upon changes in program services.
- 6) Will these proposed rules replace an emergency rule currently in effect? Yes
- 7) Does this rulemaking contain an automatic repeal date? No
- 8) Do these proposed rules contain incorporations by reference? No
- 9) Are there any proposed amendments to this Part pending? No
- 10) Statement of Statutory Policy Objectives: These rules do not create or expand a state mandate as defined in Section 10(a) of the State Mandates Act (30 ILCS 805/10).

Time, place, and manner in which interested persons may comment on this proposed rulemaking. Comments on this proposed rulemaking may be submitted in writing for a period of 30 days following publication of this notice. Comments should be submitted to:

Jacqueline Nottingham, Chief
Office of Rules and Procedures
Department of Children and Family Services

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

NOTICE OF PROPOSED AMENDMENTS

406 East Monroe Street, Station #22
Springfield, IL 62701-1498
(217) 524-1993
TTR: (217) 524-3715

The Department will consider fully all written comments on this proposed rulemaking submitted during the 45-day comment period. Comments submitted by small businesses should be identified as such.

12) Initial Regulatory Flexibility Analysis:

A) Types of small businesses, small municipalities, and not-for-profit corporations affected: These rules do not affect small businesses, but not-for-profit corporations will be affected.

B) Reporting, bookkeeping or other procedures required for compliance: None

C) Types of professional skills necessary for compliance: None

13) Regulatory agenda in which this rulemaking was summarized: This rule was not included in either of the 2 most recent agendas because: The 1997 rulemaking implements SB 1260, the Department's appropriation bill, which had not been signed into law when the previous regulatory agenda was published.

The full text of the proposed amendments begins on the next page.

STATE BOARD OF EDUCATION

NOTICE OF PROPOSED RULE

1) Heading of the Part: Charter Schools

2) Code Citation: 23 Ill. Adm. Code 650

3) Section Numbers:
 Proposed Action:
 650.10 New Section
 650.20 New Section
 650.30 New Section
 650.40 New Section
 650.50 New Section
 650.60 New Section

4) Statutory Authority: 105 ILCS 5/27A-1.3

5) A. Complete Description of the Subjects and Issues Involved: Governor Edgar signed charter school legislation into law in 1990. The new Act took effect that day, enabling charter school applicants to seek applications to local boards of education at any time. We therefore have promulgated emergency rules in April to establish a uniform manner for local boards' submission of their approved applications to this agency, and we have recently filed an emergency amendment enabling us to respond to any appeals the agency might receive if charter school applications are denied by local school boards.

These emergency rules will expire and must be replaced by ordinary rules.

6) Will this rulemaking replace any emergency rulemaking currently in effect? (Yes/see above).

7) Does this rulemaking contain an automatic repeal date? No

8) Does this proposed rule contain incorporations by reference? The rules do not contain incorporation by reference under Section 5-7/5 of the Illinois Administrative Procedure Act.

9) Are there any other proposed amendments pending on this Part? No.

10) Statement of Statewide Policy Objectives: This rulemaking will not create or enlarge a state mandate.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Written comments may be submitted within 45 days after the publication of this notice to:

Sally Vogl
Agency Rules Coordinator
Illinois State Board of Education
100 North First Street (S-284)

STATE BOARD OF EDUCATION

NOTICE OF PROPOSED RULE

Springfield, Illinois 62777
(217)782-0541

12) Initial Regulatory Flexibility Analysis: These rules will not affect small businesses.

13) Regulatory Agenda on which this rulemaking was summarized: July 1996

The full text of the Proposed Rule begins on the next page:

ILLINOIS REGISTER

STATE BOARD OF EDUCATION

NOTICE OF PROPOSED RULE

TITLE 23: EDUCATION AND CULTURAL RESOURCES
SUBTITLE A: EDUCATION
CHAPTER 1: STATE BOARD OF EDUCATION
SUBCHAPTER 0: MISCELLANEOUS

PART 650

CHARTER SCHOOLS

Section

- 650.10 Definitions
- 650.20 Purpose
- 650.30 Submission to State Board of Education
- 650.40 Review by State Board
- 650.50 Revision and Renewal of Charters
- 650.60 Appeal of Local School Board Reports

AUTHORITY: Implementing and authorized by Article 27A of the School Code [105 ILCS 5 Art. 27A (see P.A. 89-450, effective April 10, 1996)].

SOURCE: Emergency rules adopted at 10 Ill. Reg. 6123, effective April 13, 1996, for a maximum of 150 days; emergency amendment at 10 Ill. Reg. 1677, effective June 25, 1996, for a maximum of 150 days; new Part adopted at 10 Ill. Reg. _____, effective _____.

Section 650.10 Definitions

"Article 27A of the School Code: means 105 ILCS 5 Art. 27A (see P.A. 89-450, effective April 10, 1996).

Section 650.20 Purpose

Article 27A of the School Code sets forth the requirements for a charter school and the procedure for consideration of a charter school proposal by local boards of education. Pursuant to Section 27A-4 of the School Code, two or more local boards of education may jointly submit a proposal for a single charter school. This Part sets forth the procedures applicable to reporting to the State Board of Education by local school boards of the submission of charter school proposals, as required by Section 27A-3(f) of the School Code.

Section 650.30 Submission to State Board of Education

Local board(s) of education shall report to the State Board of Education as to the action by the local board of education which regard to an application for, revision of, renewal or revocation of a charter. A copy of the report shall be provided to the applicant and the board. The report shall be submitted to the State Board of Education. The report shall include notice to the applicant informing the applicant that a final revocation or non-renewal of a charter school application or revision may be appealed to the

STATE BOARD OF EDUCATION
NOTICE OF PROPOSED RULE

State Board of Education within 14 days after the date that the report is submitted to the State Board of Education. Reports shall be submitted as follows:

- Reports of approved applications, revisions, or renewals shall be accompanied by a form to be supplied by the State Board. The form shall include a certification as to compliance with all procedural requirements and application components set forth in Article 27A of the School Code. The form and the proposed contractual agreement shall be signed by the president(s) of the local school board(s) and the appropriate officers of the charter school governing body. Section 27A-5 of the School Code provides that a proposed contract between the governing body of a proposed charter school and the local school board must be submitted to and certified by the State Board before it can have effect.
- Reports of denials, revocations or non-renewals shall consist of the reasons as stated upon by the local board(s) of education, any rationale submitted by the board for its action (e.g., text of motion, text of minutes, written statement of the board, board letter of denial) and a record of public hearings on the proposal.
- A certification of publication of a copy of the printed notice of the public hearing for each local board of education involved, as required by Section 27A-8(d) of the School Code, must be submitted with all reports.
- Reports shall be submitted via certified mail, return receipt requested, to:
Illinois State Board of Education
Charter Schools
P.O. Box 5404
Springfield, Illinois 62708

No electronic or facsimile transmissions will be accepted.

- Reports must be postmarked no later than 7 calendar days following the date of public meeting of the local board(s) of education at which the vote occurred and must include proof of service of the report upon the applicant. In cases of separate public meetings by each school board or the matter, the 7 days shall begin when the last school board votes on the matter.
- Section 27A-1(b) of the School Code limits the number of charter applications and requires the State Board of Education to process applications in the order received. In order to ensure fair and prompt consideration by the State Board of Education, applications for approved proposals addressed later than as set forth in Section 27A-1(b) of this Section or postmarked later than 7 calendar days following the date of approval by all school boards involved shall not be processed.

Section 650.40 Review by State Board

- Pursuant to Section 27A-8(d) of the School Code, the State Board shall assign a number to each submission or resubmission in chronological

STATE BOARD OF EDUCATION
NOTICE OF PROPOSED RULE

order of its receipt within each of the three geographic regions delineated in Section 27A-4 of the School Code. The State Board shall notify local boards of education when the maximum numbers of charter schools authorized for any region have been reached, and no further applications from such region(s) shall be processed until such time as the maximum authorized number of schools operating in a region falls below the maximum authorized number. The State Board shall be provided in a manner designed to reach each school district superintendent in the region.

- The State Board shall review each report submitted in the manner provided in Section 27A-8 of the School Code. The State Board shall have authority to determine whether the proposed application, revision or renewal and the proposed contractual agreement is complete and compliant with the provisions of Article 27A of the School Code. Proposed contractual agreements which are complete and compliant with the provisions of Article 27A of the School Code shall be certified by the State Superintendent until the maximum authorized numbers have been reached. A certified copy of the charter shall be sent to the local school board(s) and the charter school governing body. No charter school may be authorized to open prior to the fall of 1996 (Section 27A-1(i) of the School Code).

- If a report is incomplete or a proposed contractual agreement fails to comply with any applicable law, the State Board shall so notify the submitting school board(s) and the applicant, identifying the areas of deficiency that must be remedied before the proposal can be considered for certification.
- The State Board shall review a report of a denied, revoked or non-renewed application for revision. If an appeal is filed by the applicant, the review shall be completed within 14 days after receipt with the notice and hearing requirements of Article 27A and to determine that the rationale of the school board(s) is not correct or any errors as to the applicable legal requirements. The State Board shall not review the educational or operational policy decisions of the local school board(s) in denying, revoking, or refusing to renew an application or revision.
- The State Superintendent shall notify the local school board(s) and the applicant as to a determination made with respect to a report of an approved application, renewal or revision by certified mail within 14 days after receipt of the report (Section 27A-8(f) of the School Code). If an appeal of a denied, revoked or non-renewed application or revision is submitted pursuant to Section 650.60 of this Part, the State Superintendent shall notify the local school board(s) and the applicant by certified mail as to the determination made with respect to the review within 14 days after receipt of the appeal.

Section 650.50 Revision and Renewal of Charters

No material revision to a previously certified contract or a renewal shall be effective unless and until the State Board certifies that the revision or renewal is consistent with the provisions of Article 27A (Section 27A-5) of

STATE BOARD OF EDUCATION

NOTICE OF PROPOSED RULE

the School Code). Proposed revisions or renewals of a charter shall be submitted to the State Board of Education in the manner set forth in this Part.

Section 650.60 Appeal of Local School Board Reports

An applicant may appeal to the State Board of Education a local school board report which denies, revokes or refuses to renew an application only if the local school board(s) did not comply with the notice and hearing requirements of Article 27A of the School Code or if the local school board(s) failed to comply in applying the legal requirements of Article 27A, or both. The appeal must be postmarked no later than 14 calendar days following the date of the report's submission to the State Board of Education. The appeal must be submitted in writing by certified mail, return receipt requested, to the following address:

Illinois State Board of Education
Charter Schools
P.O. Box 6104
Springfield, Illinois 62708

No electronic or facsimile transmissions will be accepted.

Appeals addressed other than as specified above or postmarked later than 14 calendar days following the date of submission of the report shall not be processed.

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

1) Heading of the Part: The Barber, Cosmetology, Esthetics, and Nail Technology Act of 1985

2) Code Citation: 68 Ill. Adm. Code 1175

3) Section Numbers: Proposed Action:

1175.100	Amendment
1175.105	Amendment
1175.110	Amendment
1175.120	Amendment
1175.200	Amendment
1175.300	Amendment
1175.310	Amendment
1175.315	Amendment
1175.320	Amendment
1175.325	Amendment
1175.330	Amendment
1175.335	Amendment
1175.340	Amendment
1175.345	Amendment
1175.350	Amendment
1175.360	Amendment
1175.370	Amendment
1175.400	Amendment
1175.410	Amendment
1175.415	Amendment
1175.420	Amendment
1175.425	Amendment
1175.430	Amendment
1175.435	Amendment
1175.500	Amendment
1175.505	Amendment
1175.510	Amendment
1175.520	Amendment
1175.525	Amendment
1175.530	Amendment
1175.535	Amendment
1175.540	Amendment
1175.545	Amendment
1175.550	Amendment
1175.560	Amendment

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

There are changes in the required curriculum for cosmetology, esthetics and nail technology schools. Changes include an internship program as an optional part of the curriculum.

Required enrollment agreements and refund policies for schools also are detailed in the proposed amendments. So are examination retake requirements for cosmetologists, estheticians, nail technicians, cosmetology teachers, esthetics teachers and nail technology teachers.

6) Will these Proposed Amendments replace an emergency Rule currently in effect? No

7) Does this rulemaking contain an automatic repeal date? No

8) Do these Proposed Amendments contain incorporations by reference? No

9) Are there any other Proposed Amendments pending on this Part? No

10) Statement of Statewide Policy Objectives (if applicable): This rulemaking has no impact on local government.

11) Time, Place and Manner in which interested persons may comment on this Proposed rulemaking: Interested persons may submit written comments to:

Department of Professional Regulation
Attention: Jean A. Courtney
320 West Washington, 3rd floor
Springfield, IL 62786
217/785-3813 Fax #: 217/782-7645

All written comments received within 45 days of this issue of the Illinois Register will be considered.

12) Initial Regulatory Flexibility Analysis:

A) Types of small businesses, small municipalities and not for profit corporations affected: Barbers, cosmetologists, estheticians, nail technicians and their education providers.

B) Reporting, bookkeeping or other procedures required for compliance: Schools seeking licensure will be required to submit to the Department a signed fire inspection report from the local fire inspection authority within six months of filing an application giving approval for use of the site as a school. Such application also must include a financial statement prepared by a licensed public accountant who is not an employee of the school, indicating that sufficient finances exist to operate the school for at least three months.

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

C) Types of professional skills necessary for compliance: Barber, cosmetologist, esthetician or nail technician skills are necessary for licensure.

13) Regulatory agenda on which this rulemaking was summarized: July 1995
The full text of the Proposed Amendments begins on the next page:

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

TITLE 68: PROFESSIONS AND OCCUPATIONS
 CHAPTER VII: DEPARTMENT OF PROFESSIONAL REGULATION
 SUBCHAPTER B: PROFESSIONS AND OCCUPATIONS

PART 1175

THE BARBER, COSMETOLOGY, ESTHETICS,
 AND NAIL TECHNOLOGY ACT OF 1985

SUBPART A: GENERAL

Section
 1175.100 Fees
 1175.105 English Translations
 1175.110 Granting Variances

SUBPART B: BARBER

Section
 1175.200 Examination - Barber
 1175.205 Examination - Barber Teacher
 1175.210 Examination Requirements
 1175.215 Application for Licensure
 1175.220 Endorsement
 1175.225 Renewals
 1175.230 Restoration - Barber
 1175.235 Restoration - Barber Teacher

SUBPART C: BARBER SCHOOLS

Section
 1175.300 School Approval Application
 1175.305 Physical Site Requirements
 1175.310 Student Contracts
 1175.315 Advertising
 1175.320 Recordkeeping - Transcripts
 1175.325 Recordkeeping - Hours Earned
 1175.330 Curriculum Requirements - Barber
 1175.335 Curriculum Requirements - Barber Teacher
 1175.340 Final Examination
 1175.345 Change of Ownership
 1175.350 Change of Location
 1175.355 Change of Name
 1175.360 Expansion
 1175.365 Discontinuance of Program
 1175.370 Withdrawal of Approval

SUBPART D: COSMETOLOGY

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

Section
 1175.400 Examination - Cosmetology
 1175.405 Examination - Cosmetology Teacher
 1175.410 Examination Requirements
 1175.415 Application for Licensure
 1175.420 Endorsement
 1175.425 Renewals
 1175.430 Restoration - Cosmetology
 1175.435 Restoration - Cosmetology Teacher

SUBPART E: COSMETOLOGY SCHOOLS

Section
 1175.500 School Approval Application
 1175.505 Physical Site Requirements
 1175.510 Enrollment Arguments and Refund Policies Students-Contracts
 1175.515 Advertising
 1175.520 Recordkeeping - Transcripts
 1175.525 Recordkeeping - Hours Earned
 1175.530 Curriculum Requirements - Cosmetology Teacher
 1175.535 Curriculum Requirements - Cosmetology
 1175.540 Final Examination
 1175.545 Change of Ownership
 1175.550 Change of Location
 1175.555 Change of Name
 1175.560 Expansion
 1175.565 Discontinuance of Program
 1175.570 Withdrawal of Approval

SUBPART F: CONTINUING EDUCATION - COSMETOLOGY/COSMETOLOGY TEACHER

Section
 1175.600 Sponsor Approval (Repealed)
 1175.605 Department Supervision (Repealed)
 1175.610 Credit Hours (Repealed)
 1175.615 Waiver of Continuing Education Requirements (Repealed)

SUBPART G: ESTHETICS

Section
 1175.700 Examination - Esthetics
 1175.705 Examination - Esthetics Teacher
 1175.710 Examination Requirements
 1175.715 Application for Licensure
 1175.720 Endorsement
 1175.725 Renewals
 1175.730 Restoration - Esthetics
 1175.735 Restoration - Esthetics Teacher

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

SUBPART H: ESTHETICS SCHOOLS

Section
 1175.800 Esthetics School Application
 1175.805 Cosmetology Schools Approved to Teach Esthetics
 1175.810 Physical Site Requirements
 1175.815 Enrollment Agreements and Refund Policy Student-Contracts
 1175.820 Advertising - Transcripts
 1175.825 Recordkeeping - Hours Earned
 1175.830 Curriculum Requirements - Esthetics
 1175.835 Final Examination
 1175.840 Curriculum Requirements - Esthetics Teacher
 1175.845 Change of Ownership
 1175.850 Change of Location
 1175.855 Change of Name
 1175.860 Discontinuance of Program
 1175.865 Expansion
 1175.870 Withdrawal of Approval
 1175.875

SUBPART I: CONTINUING EDUCATION - ESTHETICIAN/ESTHETICS TEACHER

Section
 1175.900 Sponsor Approval (Repealed)
 1175.905 Department Supervision (Repealed)
 1175.910 Credit Hours (Repealed)
 1175.915 Waiver of Continuing Education Requirements (Repealed)

SUBPART J: NAIL TECHNOLOGY

Section
 1175.1000 Application for License under Sections 3C-4 and 3C-5 of the Act (Grandfather) (Repealed)
 1175.1001 Examination - Nail Technician
 1175.1005 Examination - Nail Technology Teacher
 1175.1010 Examination
 1175.1015 Application for License
 1175.1020 Endorsement
 1175.1025 Renewals
 1175.1030 Restoration - Nail Technician
 1175.1035 Restoration - Nail Technology Teacher

SUBPART K: NAIL TECHNOLOGY SCHOOLS

Section
 1175.1100 Nail Technology School Application
 1175.1105 Cosmetology Schools Approved to Teach Nail Technology
 1175.1110 Physical Site Requirements

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

1175.1115 Enrollment Agreements and Refund Policies Student-Contracts
 1175.1120 Advertising - Transcripts
 1175.1125 Recordkeeping - Hours Earned
 1175.1130 Curriculum Requirements - Nail Technology
 1175.1135 Curriculum Requirements - Nail Technology Teacher
 1175.1140 Final Examination
 1175.1145 Change of Ownership
 1175.1150 Change of Location
 1175.1155 Change of Name
 1175.1160 Discontinuance of Program
 1175.1165 Expansion
 1175.1170 Withdrawal of Approval
 1175.1175

SUBPART L: CONTINUING EDUCATION - NAIL-TECHNICIAN/NAIL-TECHNOLOGY TEACHER

Section
 1175.1200 Sponsor Approval
 1175.1205 Department Supervision
 1175.1210 Credit Hours
 1175.1215 Waiver of Continuing Education Requirements

SUBPART M: REGISTRATION

Section
 1175.1300 Application for a Barber Shop or Cosmetology, Nail Technician or Esthetics Salon Certificate of Registration

AUTHORITY: Implementing the Barber, Cosmetology, Esthetics, and Nail Technology Act of 1985 (225 ILCS 410) and authorized by Section 60(7) of the Civil Administrative Code of Illinois (20 ILCS 2105/60(7)).

SOURCE: Adopted at 12 Ill. Reg. 20488, effective November 29, 1988; emergency amendments at 13 Ill. Reg. 5810, effective April 30, 1989, for a maximum of 150 days; amended at 11 Ill. Reg. 13013, effective September 7, 1989; amended at 14 Ill. Reg. 4090, effective August 20, 1990; amended at 16 Ill. Reg. 1376, effective August 18, 1992; amended at 18 Ill. Reg. 4856, effective March 14, 1994; amended at 20 Ill. Reg. _____, effective _____.

SUBPART N: GENERAL

Section 1175.100 Fees

a) License fees for cosmetologists, barbers, estheticians, nail technicians, cosmetology teachers, barber teachers, esthetics teachers and nail technology teachers are: Certificate-of-Registration (certificate)-as-a-Registered-Cosmetologist, Barber-Esthetician-Nail

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

- b) The Director of the Department shall notify the Barber, and Cosmetology, Esthetics and Nail Technology Committee of the granting of such variance, and the reasons therefor, at the next meeting of the Committee.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

SUBPART B: BARBER

Section 1175.200 Examination - Barber

a) Eligibility.

- 1) Each applicant must meet the requirements in Section 2-2(a), (b) and (c) or 2-1(a), (b), and (c) and (d) of the Act prior to filing an application for the Department authorized examination.
- 2) An applicant's training must be received from a barber school approved by the Department that which meets the requirements set forth in Subpart C of this Part.

- b) Application. Each applicant shall file an application for examination, on forms provided by the Department, at least 45 days prior to an examination date. The application shall include:

- 1) An official transcript showing successful completion of the required training outlined in Section 2-2(c) and 2-3(c) and (d) of the Act and a passing grade on the final examination administered by the school as set forth in Section 1175.310;

- 2) A complete work history since graduation from barber school;
- 3) Proof of any name change (i.e., marriage license, divorce decree, affidavit or court order); and

- 4) The required examination fee.
- c) Training. Each applicant must obtain a license within 5 years of graduation from barber school. If the applicant is unable to complete a 250 hour refresher course before they may obtain a license.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.205 Examination - Barber Teacher

- a) Eligibility. Each applicant must meet the requirements in Section 2-4(a), (b), (c) and (d) of the Act prior to filing an application for the Barber Teacher examination.

- b) Application. Each applicant shall file an application, on forms provided by the Department, at least 45 days prior to an examination date. The application shall include:

- 1) Proof of any name change (i.e., marriage license, divorce decree, affidavit or court order);
- 2) The required examination fee; and

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

3) Either:

- A) An official transcript from an approved barber school (see Subpart C) showing successful completion of 500 hours of teacher training as outlined in Section 1175.335 of this Part; employment verification showing at least 3 years of practical experience as a registered barber; or
- B) An official transcript from an approved barber school showing successful completion of 1000 hours of barber teacher training as outlined in Section 1175.335 of this Part;

- 4) A complete work history since graduation from barber school; and
- 5) A copy of the applicant's current Illinois Barber license.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.210 Examination Requirements

- a) Examinations. A separate examination shall be administered by the Department for each of the following services: haircutting, shampooing, styling, coloring, and nail care. Each applicant shall be required to pass each of the following examinations in order to be eligible for licensure as a barber: haircutting, shampooing, styling, coloring, and nail care.
- b) The passing grade on each examination is 75.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.215 Application for Licensure

Each applicant shall submit to the Department:

- a) A signed and completed license application which the applicant will receive with the notification of successful completion of the examination;
- b) Proof of name change (i.e., marriage license, divorce decree, affidavit or court order) if different from that shown on pre-printed license application; and
- c) The required fee set forth in Section 1175.110.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.220 Endorsement

- a) An applicant who is currently licensed as a barber in another jurisdiction and who is seeking licensure in Illinois by endorsement shall file an application, on forms provided by the Department, which shall include:

- 1) A certification from the state of original licensure stating:

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

- 1) At the number of teacher-teaching-hours-received
ABT A brief description of any licensure examination taken and the grades received; and
- 2) Whether the applicant's file contains any record of disciplinary actions taken or pending.
- 3) Official transcripts from the school(s) attended by the applicant showing the courses completed and the hours received with the school seal affixed or a verification from the licensing authority of the number of hours required for licensure at the time the applicant was originally licensed.
- 4) Certification of current licensure if other than original licensure.
- 5) Two completed Verification of Employment forms showing at least 3 years of lawful practice in another jurisdiction if:
 - A) The jurisdiction of original licensure does not require a licensing examination or has not provided an examination of the documents submitted attested sewers.
 - B) The applicant is applying under Section 2-1a of the Act.
- 6) A complete work history showing all employment since graduation from bachelior school to present.
- 7) Proof of any name change (i.e., marriage license, divorce decree, affidavit or court order) if name is other than that shown on any of the documents submitted attested sewers.
- 8) The required fee set forth in Section 115.00; and
- 9) A copy of the set forth in Section 115.00; and
licensure showing the requirements for licensure if requested by the Department in the application for review. The Department will make such a request if the application materials are incomplete. An applicant who is currently licensed as a career teacher in another jurisdiction and who is seeking licensure in Illinois by endorsement shall file an application, on forms provided by the Department, which shall include:
 - 1) A verification from the state of original licensure stating:
At the number of teacher-teaching-hours-received:
ABT A brief description of any licensure examination taken and the grades received; and,
 - 2) Whether the applicant's file contains any record of disciplinary action taken or pending.
 - 3) Official transcripts from the school(s) attended by the applicant showing the courses completed and the hours received with the school seal affixed or a verification from the licensing authority of the number of hours required for licensure at the time the applicant was originally licensed.
 - 4) Certification of current licensure if other than original licensure.
 - 5) Two Verification of Employment forms shall be submitted by the applicant who completed at least 900 hours of teacher training but less than 1,000 hours.

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT / S1

- verify 3 years of lawful practice as a barber or
 5) A complete work history showing all employment since graduation
 from basic barber school to present;
 6) Proof of name change (i.e., marriage license, divorce decree,
 affidavit or court order) if name is other than that shown on
 any of the documents submitted;
 7) A copy of the applicant's barber license or verification from the
 licensing authority that the applicant has the ability to
 practice barbering with a barber teacher license current status
 license-as-a-master;
 8) The required fee set forth in Section 1175.100; and
 9) A copy of the licensing act applicable on the date of original
 licensure showing the requirements for licensure if requested by
 the Department in the application review. The Department will
 make such a request if the application materials are incomplete.
 An applicant for licensure as a barber who is licensed in another
 jurisdiction shall be given 300 hours of educational credit for every
 12-month period during which he/she was lawfully employed as a barber.
 To obtain credit for work experience, the applicant must submit
 a signed affidavit of work experience on forms provided by the Department
 to support the requested credit. Refusal of licensure with the
 jurisdiction in which the lawful practice is claimed must also be
 submitted.
 An applicant applying for licensure as a barber or barber teacher on
 the basis of endorsement who has previously failed the licensing
 examination in Illinois shall not be approved for licensure on the
 basis of endorsement unless and until he/she provides verification of
 successful completion of a substantially equivalent licensure
 examination. The successful completion of the substantially
 equivalent examination must occur after the most recently failed
 examination attempt in Illinois.
 (Source: Amended at 20 Ill. Reg. _____, effective
 _____.)
- on 1175.225 Renewals
- a) Barber, barber teacher and barber school licenses shall expire on July
 1st of each odd numbered year. The holder of a license ~~renewed~~
~~renewed~~ may renew that license ~~renewed~~ during the month
 preceding its expiration date.
 b) Applicants for renewal shall:
 1) Submit a completed renewal application; and
 2) Submit responsibility for ~~renewal~~ Section 1175.100
 if the applicant has been convicted of a felony by the Department of
 any crime of address. Failure to receive a renewal from the
 Department shall not constitute an excuse for failure to pay the
 renewal fee or to renew a license.

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.230 Restoration - Barber

a) A person applying for restoration of his/her license as a barber which has been expired for less than 5 years shall submit an application on forms provided by the Department, along with: 1) Verification of employment as a barber attesting-to-renewal fees as set forth in Section 1175.230(a)(1); 2) A copy of the applicant's Honorable Discharge form (DD-214) and the current renewal fee.

b) A person applying for restoration of his/her license as a barber which has been expired for 5 years or more shall submit an application on forms provided by the Department along with:

- 1) Verification of employment as a barber attesting-to-renewal fees in another jurisdiction within the 5 years preceding application for restoration;
- 2) Certification of licensure from the appropriate licensing authority in the jurisdiction of employment attesting-that-renewal practice-was-not-reversed;
- 3) A complete work history showing all employment since the Illinois license lapsed.

4) Completed Restoration Questionnaire;

5) The applicant shall submit in Section 1175.100 or 1175.101

6) If services were rendered in another jurisdiction, a copy of the applicant's DD-214 must be submitted and the applicant shall

c) An applicant for restoration who has not maintained active practice in another jurisdiction shall also submit official transcripts showing successful completion of a 240 hour refresher course from a licensed barber or cosmetology school or successful completion of the examination set forth in Section 1175.110 within 2 years of application for restoration an approved-barber-school.

d) If an applicant takes and fails the examination, the license will not be restored until such time as he/she has successfully completed the examination.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.235 Restoration - Barber Teacher

a) A person applying for restoration of a license has-certificated as a registered barber teacher shall submit an application on forms provided by the Department, along with: 1) Verification of employment as a barber teacher attesting-to-renewal fees as set forth in Section 1175.235(a)(1); 2) A copy of the applicant's Honorable Discharge form (DD-214) and the current renewal fee.

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

b) A person applying for restoration of a license has-certificated as a barber teacher which has been expired for 5 years or more shall submit an application on forms provided by the Department, along with:

- 1) Verification of employment as a barber teacher attesting-to-renewal fees as set forth in Section 1175.235(a)(1); 2) A copy of the applicant's Honorable Discharge form (DD-214) and the current renewal fee.
- 3) A complete work history showing all employment since the Illinois teacher license lapsed;
- 4) A completed restoration questionnaire;
- 5) The applicant shall submit in Section 1175.100 or 1175.101
- 6) If services were rendered in another jurisdiction, a copy of the applicant's DD-214 must be submitted and the applicant shall

c) An applicant for restoration who has not maintained active teaching practice in another jurisdiction shall also submit an application on forms provided by the Department, along with:

- 1) Verification of employment as a barber teacher attesting-to-renewal fees in another jurisdiction within the 5 years preceding application for restoration;
- 2) Certification of licensure from the appropriate licensing authority in the jurisdiction of employment attesting-that-renewal practice-was-not-reversed;
- 3) A complete work history showing all employment since the Illinois teacher license lapsed;
- 4) A completed restoration questionnaire;
- 5) The applicant shall submit in Section 1175.100 or 1175.101
- 6) If services were rendered in another jurisdiction, a copy of the applicant's DD-214 must be submitted and the applicant shall

d) If an applicant takes and fails the examination, the license will not be restored until such time as he/she has successfully completed the examination.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

SUPPORT C: BARBER SCHOOL

Section 1175.300 School Approval Application

a) An applicant for a barber school license shall submit a completed application to the Department with the following information and documentation:

- 1) A detailed floor plan consistent with the requirements of Section 1175.305 of this Part;
- 2) A copy of a lease showing at least a one year commitment to the use of the school site or certification of ownership of the proposed school site;
- 3) If owner is a corporation, a copy of the Articles of Incorporation;
- 4) If owner is a partnership, a listing of all partners and their current addresses;
- 5) A signed fire inspection report by the local fire inspection authority within the last 6 months giving approval for use of the site as a school.

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

- 6) A financial statement prepared by a public accountant licensed under the Illinois Public Accounting Act (225 ILCS 450) and who is not an employee of the school, indicating sufficient finances exist to operate the school for 1 full year; A-employer's financial statement of assets, liabilities and net-worth showing the ability to operate the school for at least one year as evidenced by the source's signature certifying that the information is true.
- 7) A copy of the official student contract to be used by the school which is consistent with the requirements of Section 1175.305 of this Act.
- 8) A listing of all teachers, including their teacher license numbers, who will be teaching at the school's support.
- 9) A copy of the curriculum that the school will follow;
- 10) A copy of the school's official financial statement;
- 11) The required fee set forth in Section 1175.310.
- b) When the above items have been received, the department shall inspect the school premises, prior to school approval, to determine compliance with this Support. School operations shall not commence nor shall the school in any way solicit student enrollment, until the school has received written notice of approval from the Department. Approval will be granted if the requirements of this Support have been met.
- c) Barber schools shall only offer instruction in barbering and barber teacher education.

(Source: amended at 20 Ill. Reg. _____, effective _____)

Section 1175.305 Physical Site Requirements

- a) Space Requirements
- 1) A school shall have a minimum of 1,000 square feet of work space for a maximum of 25 students in the work area. An additional 30 square feet of work space is required for each additional student if attendance exceeds 25 at any given time.
 - 2) Work space shall not include: disciplinary and laboratory area; work space shall not include: classrooms, rest rooms, hallways, checkrooms, locker space, conference rooms, storage space or other areas or facilities for school administration.
 - 3) Two restrooms shall be provided.
 - 4) Separate cloak space shall be provided which may be used both by students and the public.
 - 5) A public waiting area must be provided.
 - 6) Schools shall provide a student lounge area which shall be separated from the work area.
 - 7) All areas of the school shall be ventilated and lighted.
 - 8) Barber schools shall not be required to comply with these requirements, however, for an existing school, these

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

- ~~school expands to meet the demands of increased enrollment--it will be required to comply with this subsection:~~
- b) Equipment Requirements - All equipment shall be in working condition and sufficient for the number of students enrolled. Minimum requirements for school equipment are: A-school chairs--have the following equipment:
- 1) An adjustment for reclining.
 - 2) A school tag sign designating the name of the school.
 - 3) A time clock or other equipment necessary for verification of attendance and hours earned.
 - 4) Four (4) shampoo chairs and 1 pair shampoo bowls with adequate hot and cold running water.
 - 5) Clinic station shall have at least 3 feet per student in the class including electrical outlets, mirror space, wet sanitizer and either a barber chair or styling chair.
 - 6) Desk/table space and a chair for each student in the classroom.
 - 7) Locker space for each student in attendance.
 - 8) Adequate covered disposal cans placed at convenient locations.
 - 9) One covered container for soiled towels for each 10 students in clinical work area.
 - 10) Closed cabinets equipped for storing towels. Cabinets must have storage space for 10 first dozen towels per 20 students in clinical work area.
- c) Sanitary Regulations
- 1) Clean attire worn by students.
 - 2) All instruments shall be sanitized before and after use on each patron.
 - 3) Clean towels shall be used for each patron.
 - 4) Shampoo bowls must be sanitized after each use.
 - 5) Hands must be cleaned before and after serving each patron.
 - 6) After serving each patron is served, combs and brushes must be cleaned, then immersed in a disinfectant, then rinsed in water and dried. Combs and brushes shall be kept in a closed container apart from appliances that have not been disinfected.
 - 7) The head rests of any chair shall be protected with a disposable cover and changed after each patron.
 - 8) Non-disposable head coverings must be laundered and sanitized after each separate use.
 - 9) All powders, lotions, creams, and other cosmetics shall be kept in clean, sealed containers. All cosmetics shall be applied by sanitary applicators and removed from the container with a sanitary spatula.
 - 10) No barber, manager, teacher, or school administrator shall knowingly permit any person suffering from a serious communicable disease, such as, but not limited to, HIV, AIDS, CDE 490 to work on the premises, or knowingly permit a student to serve a patron with a serious communicable disease.

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT (S)

- 11) No animals or pets, except seeing eye dogs, shall be permitted on school premises.
 - 12) The floors, walls and furniture shall be kept clean at all times.
 - 13) An adequate supply of hot and cold running water shall be available for school operation.
- Textbooks shall be provided for each student in attendance.
- Textbooks/Teaching Materials - Textbooks shall be provided for each student in attendance.
- The student/teacher ratio shall not exceed a 25 to 1 ratio.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.310 Student Contracts

- a) All student contracts used with students or prospective students by an approved barber school shall be clearly labeled as a contract and shall include the following information:
 - 1) The name and address of the school;
 - 2) The date the contract is signed;
 - 3) The total cost of the course of instruction including any charges made by the school for tuition, books, materials, supplies and other expenses;
 - 4) A clear and conspicuous statement that the contract is a legally binding instrument when signed by the student and accepted by the school;
 - 5) A clear and conspicuous statement that if an approved barber school transfers any student or interest in the contract to another party, the student shall have the same right afforded to him or her as if the contract had been assigned by the transferor.
- b) The contents of the following contract, in at least 10 point bold type:

"NOTICE TO THE STUDENT"

"Do not sign this contract before you read it or if it contains any blank spaces."

- 7) A clear and concise statement of the school's refund policy. The school shall comply with all applicable requirements of the Retail Installment Sales Act, 615 ILCS 640, effective January 1, 1989, relating to the school's refund policy.

Source: Amended at 20 Ill. Reg. , effective

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT (S)

Section 1175.320 Recordkeeping - Transcripts

- a) Each school shall provide an official transcript showing the entire course work of each student. The official transcript shall contain the following information:
 - 1) School secrets name and address;
 - 2) School secret sea;
 - 3) School secret license number;
 - 4) Signature structure of owner, registrar or director of the school;
 - 5) Student's students' name, address and social security number;
 - 6) Student's students' identification;
 - 7) School secrets examination grades and grades received;
 - 8) Any other transfer, course ending, the name and address of school transferred from, subject areas, focus semester and grades received;
 - 9) Final first examination grades; and
 - 10) Graduation certificate date.
- b) The official transcript and school records for each student shall be permanently maintained by the school in the following manner:
 - 1) If maintained on the school premises, they shall be maintained in a locked, fire-resistant secure cabinet. If official transcripts are maintained on a computer system, history tapes or discs at all official records must be stored in a locked, fire-resistant secure cabinet.
 - 2) If maintained off-site, records retained in the premises in locked fire-resistant secure cabinets, and records maintained elsewhere, including the official transcripts, shall be maintained at a separate location which shall be made known to the Department. Such records shall be accessible to Department officials for inspection.
- c) A copy of the transcript shall be given to the student upon graduation or other permanent exit from the school provided the student has met all financial obligations of the institution. The student contract as set forth in Section 11-110.10.
- d) At existing schools shall ensure compliance with the following:

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.325 Recordkeeping - Hours Earned

- (a) A complete and accurate record of hours of attendance for each student

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

must be recorded and maintained by the school.

- b) If a time clock is used, every student shall punch his/her own time card. No student, teacher, or any other person shall punch the time card for another student. If a time clock is used, the student shall be given another variable method used by the school to record study. The records must be in a form that allows the student to receive a written report of hours earned. This written report of hours earned shall be provided to the student on a monthly basis and shall be placed in a cumulative record by the school.
- c) Credit for hours earned away from school premises shall be awarded only if students are supervised by a licensed instructor. Credit hours for outside study may include workshops, educational programs, films and demonstrations.
- d) Hours earned away from the school premises shall be recorded on school time forms. These forms shall include: the school seal, name of student, date of program attended, date attended, signature of student, and signature of supervising licensed instructor.
- e) Instructors shall review the hours earned by each student monthly. Student having instructor shall issue a signed monthly report to the student.
- f) Time cards may be destroyed upon the student's permanent exit from the school and after all hours earned are recorded on the official transcript.
- g) An hour is not less than 50 nor more than 60 minutes of instruction.
- h) A licensed instructor shall supervise all classroom and practical study. No credit shall be given for unsupervised study.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.330 Curriculum Requirements - Barber

a) Each licensed barber school shall provide a curriculum of a minimum of 1500 hours as follows:

- 1) 130 hours of classroom instruction in general theory which shall be divided into specific subject areas as specified in subsection (b) 1) at least 100 hours shall be at the discretion of the instructor based in the instructor's evaluation of the individual student's needs. However, the training shall cover at least the subject areas set forth in Section 1175.340 of the Act, totaling minimum subject areas:

1) Hair care styling
cutting
shaving
facial and massage
hair coloring and bleaching
permanent waving and chemical
beard, eyebrow and shaving

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

shop management and merchandising
permanent state and local laws and rules
barber anatomy

- b) All existing schools have one year from the effective date of this Part to comply with the requirements of this Section.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.335 Curriculum Requirements - Barber Teacher

a) Each licensed barber school that which provides teacher training shall provide a curriculum that which includes a minimum of 1000 hours. This curriculum shall contain the following subject areas:

- 1) Practice of barbering;
2) Theory of barbering;
3) Methods of teaching; and
4) School management.

b) A minimum of 100 hours in each subject area shall be required. The remaining 800 hours shall be at the discretion of the instructor based on the instructor's evaluation of the individual student's needs.

c) The approved curriculum for a 500 hour teacher training course shall be based upon 3 years of practical experience for a barber and shall consist of a minimum of 50 hours in each of the subject areas in subsection (a) above. The remaining 300 hours shall be at the discretion of the instructor based on the instructor's evaluation of the individual student's needs.

d) All existing schools have one year from the effective date of this Part to comply with the requirements of this Section.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.340 Final Examination

a) A school shall require each candidate for graduation to pass a final examination that tests whether or not the student's theoretical and practical knowledge of the curriculum studied.

b) The practical examination shall test the candidate's skills in the following areas:

- 1) Hair care styling
2) Barbering
3) Shaving
4) Facial and massage

c) The examination shall be administered by the uniform application of standard performance criteria established by the school for each skill area. The standard performance criteria for each skill area shall be delineated in the examination records as specified in subsection (b), below.

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

- d) A passing score of 75 or greater shall be required on both the theoretical and practical portions of the final examination.
- e) The school shall allow each candidate for graduation at least 3 three attempts to pass the final exam.
- f) The Department may monitor the administration of the final examination:

- 1) As a result of a complaint received;
 - 2) For random sampling;
 - 3) To collect data; and/or
 - 4) When there is a failure rate on the licensure examination for each school that is greater than 25%.
- g) The Department shall review the records of each school's graduate failure rate in the licensing examination. The records shall include all first examination attempts for each graduate. The Department shall review the records on an annual basis to identify those approved schools that have an average annual failure rate greater than 25%. An average annual failure rate greater than 25% is grounds for school disapproval. The first annual review of the records shall commence the year following the effective date of this Part.
- h) The school shall maintain records of the final examination for a period of no less than 5 years in the manner prescribed in Section 1175.20 of this Part. These records shall include:
- 1) A copy of the final examination administered; and
 - 2) Each test student's examination grades.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.345 Change of Ownership

- a) When the ownership of an approved school changes, the new owner shall, within 3 working days from the date title to the school is transferred, mail to the Department the following:
- 1) A signed and completed school application;
 - 2) A floor plan if any expansion is to be done by the new owner;
 - 3) A copy of a lease agreement showing at least a 1 year commitment or certification of school site ownership;
 - 4) A copy of the student contract that which will be utilized by the new owner;
 - 5) A if owner is a corporation a copy of the Articles of Incorporation; if the owner is a corporation;
 - 6) A if owner is a partnership a listing of all partners and their addresses; if the owner is a partnership;
 - 7) A signed inspection report by the local fire inspection authority within 30 days of application approving the school site;
 - 8) A certified financial statement prepared by a licensed public accountant who is not an employee of the school, indicating sufficient financial assets to operate the school for one full

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

year. A complete financial statement of assets, liabilities and net worth showing the new owner's ability to operate the school for 1 year.

- 9) If a name change is to also occur, the new owner must submit a sample of the new school seal and a photo of the new school sign and
 - 10) The required fee set forth in Section 1175.100.
- b) Once the above items have been received, the Department shall conduct an inspection prior to approval of the change of ownership. Approval will be granted if the requirements of Subpart C have been met.
- c) If the new owner fails to submit a new application, or if the Department does not approve the school, the school shall remain closed until final Department approval is received.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.350 Change of Location

- a) When the location of an approved school is changed, the school owner shall submit to the Department the following:
- 1) Written notice to the Department at least 30 days in advance of the school site change;
 - 2) A signed and completed school application;
 - 3) A floor plan;
 - 4) A copy of a lease agreement showing at least a 1 year commitment or certification of ownership of the school site;
 - 5) A signed inspection report by the local fire inspection authority within 6 months of application approving the site; and,
 - 6) The required fee set forth in Section 1175.100.

- b) Once the above items have been received, the Department shall inspect the premises to determine compliance with this Part. School operations shall not commence at the new location until the owners have received written notice of approval from the Department. Approval will be granted if the requirements of Subpart C have been met.
- c) The change of location is due to natural destruction of the original premises, a temporary site may be used to teach theory classes only.
- 1) The temporary site must be inspected prior to its use and must possess light and ventilation to meet the standards for the number of students in a classroom, and must be clean.
 - 2) The temporary site may be used for a period of 3 months. The 3 month period can be extended for good cause. Good cause includes, but is not limited to, unexpected delays in construction, delays in lease arrangements, or delays in equipment delivery.

- d) If the site is not approved, the school shall not solicit new students

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

for this location until the school has been approved.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.360 Expansion

- a) Written notice shall be given to the Department 30 days prior to any expansion of an approved school.
- b) When the expansion will result in an off-site classroom location, a completed school application must be submitted along with:
 - 1) A detailed floor plan;
 - 2) A copy of a lease showing at least a 1-year commitment to the use of the site or certification of ownership of the proposed site;
 - 3) A signed fire inspection report from the local fire inspection authority within the last 12 months giving approval for use of the site as an off-site classroom location;
 - 4) A statement from the school owner outlining the purpose of the off-site classroom location;
 - 5) A listing of any and all additional teachers who will be added to the teaching staff as a result of the expansion;
 - 6) A certified financial statement created by a licensed public accountant who is not an employee of the school, indicating sufficient funds exist to operate the school for the full year; and
 - 7) A statement from the school owner and teacher indicating that the school is not a for-profit institution and that the school is not a part of a chain of schools.
- 8) The required fee for an expansion is \$100.
- 9) An off-site classroom location is defined as a separate classroom which is located within 5 miles of the main school site and which serves to provide adequate space in which to teach and oversee students. A clinic may not be operated at an off-site classroom location. A school may establish only one off-site classroom location. All identifying signs and materials must reflect the name of the main school.
- c) When an in-state expansion is to accommodate an increased enrollment, a completed school application shall be submitted along with:
 - 1) A detailed floor plan;
 - 2) A statement from the school owner outlining the purpose of the expansion;
 - 3) A listing of any and all additional teachers who will be added to the teaching staff as a result of the expansion; and
 - 4) Upon request, the required inspection fee.
- d) Upon request, the required inspection fee. The Department shall inspect the expansion site to determine compliance with this Part. The site shall not be used until the inspection has occurred and the owner has received written notification of approval from the Department. Approval will be granted if all of the requirements of Subpart C have

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

been met.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.370 Withdrawal of Approval

- a) The Department may withdraw, suspend or place on probation, pursuant to 68 Ill. Adm. Code 1110, the approval of a school of barbering when the quality of the program has been affected by any of the following causes:
 - 1) Gross or repeated violations of any provisions of the Act or this Part;
 - 2) Fraud or dishonesty in furnishing transcripts or documentation for evaluation of the school;
 - 3) Failure to meet the criteria for school approval in Section 1175.300;
 - 4) Failure to administer the final examination as specified in this Part;
 - 5) Failure to maintain final examination grades for each student and a master of the examination administered by the school as specified in this Part;
 - 6) Fraud or dishonesty in providing transcripts to students;
 - 7) Failure to provide transcripts to students who have fulfilled all obligations under Section 1175.310;
 - 8) A finding by the U.S. Office of Education or Illinois State Scholarship Commission that a school has misappropriated or misused grant or loan monies or has aided in obtaining such monies by providing fraudulent or untrue information; or
 - 9) Any other violations of the Act or this Part.
- b) Performance Record on Licensing Examination
 - 1) When a school's graduates have a 25% or greater failure rate on the licensing examination, Department approval of a school shall be reviewed pursuant to Section 1175.300.
 - 2) The performance record of a school's graduates on the licensing examination as compared with the statewide performance shall be considered by the Department when reviewing Department approval of a school.
 - 3) The Department shall give written notice and a hearing pursuant to 68 Ill. Adm. Code 1110 when Department approval of a school is being reviewed.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

SUBPART D: COSMETOLOGY

Section 1175.400 Examination - Cosmetology

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

a) Eligibility.

1) Each applicant must meet the requirements in either Section 3-2(a), (b) or 3-3(a), (b) or (c) of the Act prior to filing an application for the Department authorized cosmetology examination.

2) Applicant's training must be received from a school of cosmetology approved by the Department that meets the requirements specified in Subpart 2 of this Part.

b) Application. Each applicant shall file an application for examination, on forms provided by the Department, at least 45 days prior to an examination date. The application shall include:

1) An official transcript showing successful completion of the required training outlined in Section 3-2(c) or 3-3(c) of the Act; official transcripts showing successful completion of remedial training when required by Section 1175.410(c); 1175.415 fee-and-fee of this Part and a passing grade on the final examination administered by the school as set forth in Section 1175.430;

2) A request, if desired, to take the written examination in the Spanish language;

3) Proof of any name change (i.e., marriage license, divorce decree, affidavit or court order) if name is other than that shown on documents submitted;

4) A complete work history since graduation from cosmetology school;

5) The required examination fee.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.405 Examination - Cosmetology Teacher

a) Eligibility. Each applicant must meet the requirements in Section 3-2(a), (b), (c), (d) or (e) of the Act prior to filing an application for the cosmetology teacher examination.

b) Application. Each applicant shall file an application, on forms provided by the Department, at least 45 days prior to an examination date. The application shall include:

1) Proof of any name change (i.e., marriage license, divorce decree, affidavit or court order) if name is other than that shown on documents submitted;

2) The required examination fee;

3) Experience.

A) An official transcript from an approved school of cosmetology showing successful completion of 500 hours of teacher training as outlined in Section 1175.335 of this Part and 2 two employment verification forms showing at least 2 years of practical experience as a registered

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

cosmetologist; or

B) An official transcript from an approved school of cosmetology (see Subpart E) showing successful completion of 1000 hours of teacher training as outlined in Section 1175.335 of this Part;

4) A complete work history since graduation from cosmetology school; and

5) A copy of the applicant's current Illinois cosmetology license.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.410 Examination Requirements

a) Examination. A separate examination shall be administered by the Department of Professional Regulation for each license category. The Department shall cover subject matter as set forth in Section 3-6 of the Act.

b) The passing grade on each examination is 75.

c) Retakes

1) A cosmetology applicant who fails to pass a third examination must submit an official transcript from a licensed cosmetology school showing successful completion of 20 hours of additional study in teaching methodology and educational psychology prior to taking the examination a fourth time.

2) Upon failing the fourth time examination an applicant must submit an official transcript from an approved cosmetology school showing successful completion of the entire course of training prior to taking the examination a fifth time.

3) For each time the examination is taken, the applicant shall submit a request for a written request for an examination retake at least 45 days in advance of the examination date. Such a request must include the required examination fee and official transcripts when former study is required in accordance with subsections (1), (2) and (3) above.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.415 Application for Licensure

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

Each applicant shall submit to the Department:

- A signed and completed license application which the applicant will receive with the notification of successful completion of the examination;
- Proof of name change (i.e., marriage license, divorce decree, affidavit or court order) if different from that shown on pre-printed license application; and
- The required fee set forth in Section 1175.100.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.420 Endorsement

- An applicant who is currently licensed as a cosmetologist in another jurisdiction and who is seeking licensure in Illinois by endorsement shall file an application, on forms provided by the Department, which shall include:

- A certification from the state of original licensure stating:
 - The name of cosmetologist-teacher-endorsement received;
 - A brief description of any licensure examination taken and the grades received; and
 - Whether the applicant's file contains any record of disciplinary actions taken or pending.
- Official transcripts from the school(s) attended by the applicant showing the courses completed and the hours received with the school seal affixed or a verification from the licensing authority of the number of hours required for licensure at the time the applicant was originally licensed;
- Certification of current licensure if other than original licensure;
- Two completed Verification of Employment forms showing at least 3 years of lawful practice in another jurisdiction if:
 - The jurisdiction of original licensure does not require a licensure examination or has not provided an examination score or examination of name other than that shown on the Affidavit of Court Order;
 - The applicant is applying under Section 3-6(a)-(2)-(4) of the Act;
 - A complete work history showing all employment since graduation from cosmetology school to present;
 - Proof of any name change (i.e., marriage license, divorce decree, affidavit or court order) if name is other than that shown on submitted endorsed documents;
 - The required fee set forth in Section 1175.100; and
 - A copy of the licensing act applicable on the date of original licensure showing the requirements for licensure if requested by the Department in the application review. The Department will make such a request if the application materials are incomplete.

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

- An applicant who is currently licensed as a cosmetology teacher in another jurisdiction and who is seeking licensure in Illinois by endorsement shall file an application, on forms provided by the Department, which shall include:

- A certification from the state of original licensure stating:
 - The name of cosmetology-teacher-endorsement received;
 - A brief description of any licensure examination taken and the grades received; and
 - Whether the applicant's file contains any record of disciplinary actions taken or pending.
- Official transcripts from the school(s) attended by the applicant showing the courses completed and the hours received with the school seal affixed or a verification from the licensing authority of the number of hours required for licensure at the time the applicant was originally licensed;
- Certification of current licensure if other than original licensure;
- Two Verification of Employment forms shall be submitted by the applicant who completed at least 500 hours of teacher training but less than 1000 hours. A cosmetology teacher applicant shall verify 2 years of lawful practice as a cosmetologist; or
- If the applicant is applying on the basis of 3 years of lawful practice, 2 completed Verifications of Employment forms showing at least 3 years of lawful practice as a cosmetology teacher;
- A complete work history showing all employment since graduation from cosmetology school to present;
- Proof of any name change (i.e., marriage license, divorce decree, affidavit or court order) if name is other than that shown on any of the documents submitted;
- A copy of the licensing act applicable on the date of original licensure if requested by the Department in the application review. The Department will make such a request if the application materials are incomplete;
- An applicant for licensure as a cosmetologist who is licensed in another jurisdiction shall be given 300 hours of educational credit for every 12 month period during which he/she was lawfully employed as a cosmetologist. To obtain credit for work experience, the applicant must submit verification of employment on forms provided by the Department in support of the work experience. A certification of licensure from the jurisdiction in which the lawful practice is claimed must also be submitted.
- An applicant applying for licensure as a cosmetologist or cosmetology teacher on the basis of endorsement who has previously failed the licensing examination in Illinois shall not be approved for licensure on the basis of endorsement unless and until he/she provides

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

verification of successful completion of a substantially equivalent licensure examination and fulfills the requirements set forth in Section 1175.410(c) hereafter. The successful completion of the substantially equivalent examination and fulfillment of applicable qualification requirements must occur after the most recently failed examination attempt in Illinois.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.425 Renewals

- a) Every license issued under the Act shall expire as follows:
- 1) Cosmetology teacher and cosmetology school licenses shall expire on September 30 of each even numbered year. Licenses shall expire 30 of each odd numbered year. A prerenewal period is the twenty-four month period preceding September 30th in the year of renewal.

- 3) The holder of a license certificate-of-registration may renew that license such certificate during the month preceding its expiration date.

- b) Applicants for renewal shall:

- 1) Return a completed renewal application.
- 2) Cosmetology cosmetology -- Certify on the renewal application to successful completion of a minimum of 16 hours of continuing education from a cosmetology sponsor registered with the Department, in accordance with Section 1175.420(b) of the Act, within the 2 years prior to the expiration date of the license.

At the time of renewal, the individual shall be required to complete one year of continuing education. For every renewal thereafter, the individual shall be required to complete 16 hours of continuing education.

A) A renewal applicant is not required to comply with continuing education for the first renewal after issuance of original license.

B) The Department may require additional evidence demonstrating compliance with the CE requirements (i.e., certificate of attendance or certificate of completion). It is the responsibility of each renewal applicant to retain or otherwise produce evidence of such compliance. Such evidence shall be required in the context of the Department's random audit.

B) Cosmetology teacher and cosmetology school licenses may elect to retain their continuing education hours from a

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

cosmetology teacher continuing education sponsor approved by the Department, in accordance with Section 1175.420(b) of the Act, within the 2 years prior to the expiration date of the license. For every renewal thereafter, the individual shall be required to complete one year of continuing education. For every renewal thereafter, the individual shall be required to complete 16 hours of continuing education.

- 3) Cosmetology teacher -- Certify on the renewal application to successful completion of a minimum of 10 hours of continuing education from a cosmetology teacher continuing education sponsor registered with the Department, in accordance with Section 1175.420(b) of the Act, within the 2 years prior to renewal if renewing a cosmetology teacher license.

At the time of renewal, the individual shall be required to complete one year of continuing education. For every renewal thereafter, the individual shall be required to complete 10 hours of continuing education. For every renewal thereafter, the individual shall be required to complete 16 hours of continuing education.

- A) Cosmetology teacher -- Certify on the renewal application to successful completion of a minimum of 10 hours of continuing education from a cosmetology teacher continuing education sponsor registered with the Department, in accordance with Section 1175.420(b) of the Act, within the 2 years prior to renewal if renewing a cosmetology teacher license.

At the time of renewal, the individual shall be required to complete one year of continuing education. For every renewal thereafter, the individual shall be required to complete 10 hours of continuing education. For every renewal thereafter, the individual shall be required to complete 16 hours of continuing education.

- B) A renewal applicant is not required to comply with continuing education for the first renewal after issuance of original license.

C) The Department may require additional evidence demonstrating compliance with the continuing education requirements (i.e., certificate of attendance or certificate of completion). It is the responsibility of each renewal applicant to retain or otherwise produce evidence of such compliance. Such evidence shall be required in the context of the Department's random audit.

4) Submit a random audit.

5) It is the responsibility of each renewal applicant to notify the Department of any change of address. Failure to receive a renewal form from the Department shall not constitute an excuse for failure to pay the renewal fee or to renew a license.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.430 Restoration -- Cosmetology

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

- a) A person applying for restoration of a his license as a cosmetologist that which has been expired or been on inactive status for less than 5 years shall submit an application on forms provided by the Department; and
- 2) Provide previous evidence of successful completion of 128 hours of continuing education earned within the 2 years immediately preceding the restoration.
- 3) If restoring after active military service, the applicant shall submit a copy of the applicant's Honorable Discharge form (DD-214) and the current renewal fee.
- b) A person applying for restoration of a his license as a cosmetologist that which has been expired or been on inactive status for 5 years or more shall submit an application on forms provided by the Department along with:
- 1) Verification of employment as a cosmetologist restoring-to-work practice in another jurisdiction within the 5 years preceding application for restoration;
 - 2) Certification of licensure from the appropriate licensing authority in the jurisdiction of employment stating that practice was authorized;
 - 3) A complete work history showing all employment since the Illinois license lapsed or was placed on inactive status;
 - 4) A completed Restoration Questionnaire;
 - 5) Evidence of successful completion of 128 hours of continuing education earned within the 2 years immediately preceding restoration if restoring a cosmetology license; and
 - 6) The required fee set forth in Section 1175.100. Or
 - 7) A) If restoring from active-military-service-a copy of the applicant's DD-214 form must-be-submitted and the current renewal fee shall-be-returned from active military service.
- c) An applicant restoring who has not maintained a practice in another jurisdiction shall also submit official transcripts showing successful completion of 24-26 also submit official transcripts showing successful completion of a 250 hour cosmetology course from a licensed cosmetology school or teacher. The applicant shall submit official transcripts showing successful completion of a 250 hour cosmetology course set forth in Section 1175.100 within 2 years from application for restoration. A cosmetology applicant who completes this restoration course shall not be required to complete 128 hours of continuing education.
- d) If an applicant takes and fails the examination, the license will not be restored until such time as he/she has successfully completed the examination.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.435 Restoration - Cosmetology Teacher

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

- a) A person applying for restoration of a his certificate as a licensed cosmetology teacher that which has been expired or been on inactive status for less than 5 years shall file an application, on forms provided by the Department. An applicant shall also submit the required fee if restoring after active military service, an applicant shall submit a copy of his/her DD-214 and the current renewal fee.
- b) A person applying for restoration of a license his certificate as a cosmetology teacher that which has been expired for 5 years or more shall submit an application on forms provided by the Department, along with:
- 1) Verification verification of employment as a cosmetology teacher restoring-to-work practice in another jurisdiction within the 5 years preceding application for restoration;
 - 2) Certification of licensure attestation from the appropriate licensing authority in the jurisdiction of employment stating that said practice was authorized;
 - 3) Evidence of successful completion of 10 hours of continuing education earned within the 2 years immediately preceding the restoration for those cosmetology teachers restoring licenses effective September 20, 1998. Effective September 20, 1998, any teacher restoring a cosmetology teacher license that has been expired for 5 years or more shall submit evidence of 14 hours of continuing education specified in Section 2-2 of the Act, earned within the 2 years immediately preceding the restoration.
- 4) 3) A complete work history showing all employment since the Illinois teacher license lapsed;
- 5) 4) A completed restoration questionnaire;
- 5) A copy of the applicant's current active-military-service-licenser and
- 6) The required fee set forth in Section 1175.100; or
- 7) If restoring after active military service, a copy of the applicant's DD-214 form and the current renewal fee.
- c) 6) An applicant for restoration who has not maintained an active teaching practice in another jurisdiction shall submit official transcripts showing successful completion of a 250 hour cosmetology teacher refresher course of passage of the examination set forth in Section 1175.100 within 2 years from application for restoration of a license. An applicant restoring after active military service shall also submit official transcripts showing successful completion of a 250 hour refresher course and successfully complete a 250 hour refresher course set forth in Section 1175.100 within 2 years from application for restoration of a license.
- d) If an applicant takes and fails the examination, the license will not be restored until such time as he/she has successfully completed the examination.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

SUBPART E: COSMETOLOGY SCHOOLS

Section 1175.500 School Approval Application

a) An applicant for a cosmetology school license shall submit a completed application to the Department with the following information and documentation:

- 1) A detailed floor plan consistent with the requirements of Section 1175.505 of this Part;
 - 2) A copy of a lease showing at least a one year commitment to the school site or certification of ownership of the property at the school site;
 - 3) If the owner is a corporation, a copy of the Articles of Incorporation;
 - 4) If the owner is a partnership, a listing of all partners and their current addresses;
 - 5) A signed site inspection report from the local fire inspection authority within 3 months of filing an application giving approval for use of the site as a school;
 - 6) A financial statement prepared by a public accountant licensed by the Department pursuant to the Illinois Public Accounting Act and who is not an employee of the school, indicating sufficient current finances exist to operate the school for at least 3 months; a completed financial statement of assets, liabilities and net worth showing the owner's ability to operate the school for at least 3 months as evidenced by the owner's signature certifying that the information is true;
 - 7) A copy of the official student contract to be used by the school which shall be consistent with the requirements of Section 1175.505 of this Part;
 - 8) A listing of all teachers, including their teacher license numbers and how they will be the school's employ;
 - 9) A copy of the curriculum which will be followed;
 - 10) A copy of the school's official policy and procedures;
 - 11) The required fee set forth in Section 1175.505 of the Act.
- b) New schools that wish to offer nail technology and/or esthetics in addition to cosmetology shall comply with Section 1175.505 and 1175.506.

After the above items have been received, the Department shall inspect the school premises, prior to school approval, to determine compliance with this Subpart. School operations shall not commence nor shall the school in any way solicit student enrollment, until the school has received written notice of approval from the Department. Approval will be granted if all of the requirements of Subpart E have been met.

c) Cosmetology schools shall only offer instruction in cosmetology and cosmetology teacher education.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

Section 1175.505 Physical Site Requirements

a) Space Requirements

- 1) A school shall have a minimum of 1,000 square feet of work space for a maximum of 10 students. An additional 100 square feet of work space is required for each additional student if attendance on the clinic floor exceeds 10 at any given time.
- 2) Work space shall include: dispensary and laboratory area. Work space shall not include: classrooms, facial areas, rest rooms, nails, manicure, locker space, conference rooms, storage space or other areas of facilities for school administration.
- 3) Separate restrooms A-separate restrooms for males and females shall be provided.
- 4) Clinic separate-work space separate from the work space shall be provided which may be used both by students and the public.
- 5) A public waiting area must be provided and separated from the work area.
- 6) Schools shall provide a student lounge area which shall be separated from the work area.
- 7) All areas of the school shall be ventilated and lighted.
- 8) Licensed cosmetology schools will not be required to comply with expansion requirements. However, if an existing licensed school expands, it shall be required to comply with subsection (a) above.
- b) Equipment Requirements: Equipment must be in working condition and sufficient for the number of students enrolled. Minimum requirements for school equipment area A-school shall have the following equipment:
 - 1) An entrance sign designating the name of the school.
 - 2) A school seal.
 - 3) A time clock or other equipment necessary for verification of attendance and hours earned.
 - 4) Two (2) facial chairs to be placed in an enclosed or screened area. Facial chairs shall only be used for facials.
 - 5) One (1) facial supply cabinet containing assignments, lotions, creams, makeup and other necessary supplies for facials.
 - 6) Four (4) shampoo chairs and if four shampoo bowls with adequate hot and cold running water.
 - 7) One (1) hood hair dryer for every 2 clinic stations.
 - 8) Clinic station shall have at least 3 feet per student in the station including practical outlets, mirror space, wet sanitizer and disinfectant chair or styling chair.
 - 9) Desk table space for each student in the classroom.
 - 10) Locker space for each student in the classroom.
 - 11) Adequate number of covered disposal cans placed at convenient locations.
- 12) One (1) covered container for soiled towels for each 10 students

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

- d) Any provision in a student contract that purports to waive the student's right to assert against the school or any assignee, any claim or defense may have against the school arising under the contract shall be void.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.520 Recordkeeping - Transcripts

- a) Each school shall provide an official transcript showing the entire course work of each student. The official transcript shall contain the following information:
- 1) School name, name and address;
 - 2) School street seal;
 - 3) School street license number;
 - 4) SIGNATURE of the owner, registrar or director of the school;
 - 5) Student's name, address and social security number;
 - 6) Actual actual dates student attended;
 - 7) Subject areas, hours earned, and grades received;
 - 8) Any any transfer hours citing the name and address of school transferred from, subject areas, hours earned and grades received;
 - 9) Final final examination grades; and
 - 10) Graduation graduation date.
- b) The official transcript and school records for each student who completes the program shall be permanently maintained by the school in the following manner:
- 1) If maintained on the school premises, they shall be maintained in a fire-resistant fireproof cabinet. If official transcripts are stored on a computer system, history tapes or discs of all official records must be stored in a locked, fire-resistant fireproof cabinet.
 - 2) If records cannot be maintained on the premises in locked fire-resistant fireproof cabinets, duplicate student records including the official transcripts, shall be maintained at a separate location which shall be made known to the Department. Such records shall be accessible to Department officials for inspection.

- c) An official transcript and school records for students who withdrew or dropped out of a program shall be maintained by the school for 7 years from the student's last day of attendance at the school.
- d) A copy of the transcript shall be given to the student upon graduation or other permanent exit from the school provided the student has met all financial obligations set forth in the enrollment agreement. Student contract set forth in Section 1175.520 of the Act.

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

- d) All existing schools shall submit a sample of their official transcripts to the Department within 60 days of the effective date of this part. The Department may not receive the transcripts from the school until the sample is received and will be given 60 days in which to comply before disciplinary action will be taken in accordance with Section 1175.520 of the Act.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.525 Recordkeeping - Hours Earned

- a) A complete and accurate record of hours of attendance for each student must be recorded and maintained by the school. Each student shall have a card. If a time clock is used, each student shall punch his/her own time card, and no student shall be allowed to punch for another student. If a time clock is not used, there shall be a teacher verifiable method used by the school to record student hours. The records must be in a form that which allows the student to receive a written report of hours earned. This report of hours earned shall be provided to the student in a monthly basis.
- b) Credit for hours earned away from the school premises shall be awarded only if students are supervised by a licensed instructor or by a licensed cosmetologist in the case of an internship. Credit hours for outside study may include workshops, educational programs, films, and demonstrations and internship training in a registered salon.
- c) Hours earned away from the school premises shall be recorded on school time forms. These forms shall include: the school seal, name of student, event or program attended, date attended, signature of student, signature of supervising, licensed instructor.
- d) Each month the instructor shall issue a signed monthly report to the student showing the actual number of hours earned by the student. Time cards may be destroyed upon the student's graduation from the school and after all hours earned are recorded on the official transcript.
- e) A licensed instructor shall supervise all classroom and practical instruction study. No credit shall be given for unsupervised instruction study.
- f) A cosmetology student is not permitted to serve the public until he/she has successfully completed a combination of the 150 hours of basic training and theory and practical instruction. The requirements specified in Section 1175.530(a)(4) of this Part.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

Section 1175.530 Curriculum Requirements - Cosmetology

Each licensed cosmetology school shall provide a minimum of 1500 hours of course instruction as follows:

a) Basic Training General Theory - 150 hours of classroom instruction in general theory and practical application shall be provided which shall include a minimum of 40 hours into the following subject areas:

tools and their use.....15 hours
shampoo.....5 hours
understanding chemicals and use.....5 hours
types of hair.....25 hours
sanitation.....15 hours
hygiene.....25 hours
skin diseases and conditions.....25 hours
electrical/and physiology.....25 hours
ethics/and.....5 hours
nail technology.....15 hours
esthetics

b) Practical Chemical Application/Hair Treatment - 500 hours of instruction, which shall be a combination of classroom instruction and hands on experience, shall be provided in the following subject areas:

chemical safety
permanent waving
hair coloring, tinting and bleaching
hair re-texturing
hair and scalp conditioning
shampooing, toning and rinsing

c) Hair Styling/Hair Dressing - 1750 hours of instruction in hair styling, which shall be a combination of classroom instruction and hands on experience, shall be provided in the following subject areas:

cutting
curling
styling
application of electrical/mechanical equipment
curling
hair treatments
marcelling

d) Shop management, sanitation and interpersonal relations - 200 hours of classroom instruction shall be provided in the following subject areas:

labor law
workers' compensation
client relations
bookkeeping
marketing and merchandising
emergency first aid

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

right-to-know laws
pertinent state and local laws and rules
business ethics
sanitation

critical devices

6) Esthetics Personal Grooming and Hygiene

be provided 25 - 25 hours of instruction shall

6) Nail Technology - 55 hours of instruction shall be provided

6) Esthetics - 35 hours

6) Esthetics - 35 hours

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DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

- D) May work a maximum of 8 hours a day and shall be required to spend 1 day a week at the school.
- E) Shall be under the direct on site supervision of a licensed cosmetologist. Only 1 student shall be supervised by 1 licensed cosmetologist.
- 3) A licensed cosmetology school shall state clearly in the student contract that the school offers an internship program.
- 4) The licensed cosmetology school shall enter into a contract with the student, the registered salon and licensed cosmetologist. The contract shall contain all the provisions set forth in subsection (b)(2) of this Section and any other requirements of the internship established by the school. The contract shall be signed by the student, the school and the licensed cosmetologist. Any party to the contract may terminate the contract at any time.
- 1b) All existing schools have 1 year from the effective date of this Part to comply with the requirements of this Section.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.535 Curriculum Requirements - Cosmetology Teacher

- a) An approved school that when intends to provide teacher training must utilize a teacher curriculum that when includes a minimum of 1000 hours as follows:
- 1) 500 hours of Post-Graduate School Training which includes: all subjects in the basic cosmetology curriculum in Section 1175.530 including theory and practice. Presentation of material must include the concepts that when are intended to be taught and the skills to be acquired during the various phases of basic education.
 - 2) 20 hours of Educational Psychology which shall include, but not be limited to, topics in educational objectives, student characteristics and development, the learning process and an evaluation of learning that when relates to teaching. This educational psychology shall be presented by a person qualified to teach educational psychology and as completed course of instruction that when included the topics set forth above or an equivalent program. These courses shall be waived on behalf of cosmetology teacher students who have completed a course in Educational Psychology at an accredited college or university within the five years immediately preceding admission to the cosmetology teacher program.
 - 3) 20 hours of Teaching Methods (Theory) which shall include, but not be limited to, topics in individual differences in learning, lesson planning and design, lesson delivery, assessment of learning performance, classroom management, student motivation

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

and classroom climate. This course shall be presented by a person qualified to instruct in Teaching Methods - Secondary Level at a college or university or a licensed cosmetology teacher who has completed a course of instruction and when the student has completed the course of instruction, the student shall be waived on behalf of cosmetology teacher students who have completed a course in Teaching Methods - Secondary Level at an accredited college or university within the five years immediately preceding admission to the cosmetology teacher program.

- 4) 150 hours of Application of Teaching Methods which includes: preparation and organization of subject matter to be presented on a unit by unit basis; and presentation of subject matter through application of varied methods (lecture, demonstration, testing and assignments). Presentations must provide teaching objectives to be accomplished and correlate theoretical with practical application.
- 5) 50 hours of Business Methods which include: inventory, record keeping, inter-acting, supplies, the Illinois Barber, Cosmetology and Esthetics Act of 1985 and 63 Ill. Adm. Code 1175.
- 6) 260 hours of student teaching under the direct supervision of an Illinois licensed teacher. The student teacher shall complete a basic curriculum and practical demonstrations to students. Presenting basic curriculum and practical demonstrations to students.
- b) The approved curriculum for a 500 hour Teacher Training Course shall be based upon 2 years of practical experience and shall consist of the Teacher Training Curriculum outlined in Section 1175.535 with the exception of the 500 hours of Post-Graduate Training.
- e) All existing schools have the year from the effective date of this Part to comply with the requirements set forth in this Section.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.540 Final Examination

- a) A school shall require each candidate for graduation to pass a final examination that when shall test the student's theoretical and practical knowledge of the curriculum studied.
- b) The practical examination shall test the candidate's skills in the following areas:
 - 1) Hair color cutting
 - 2) Thermal retext curl and blow drying
 - 3) Chemical retext permanent waving and relaxing; and
 - 4) Hair color coloring and lightening;
 - 5) Esthetics; and
 - 6) Nail technology.
- c) The examination shall be administered by the uniform application of

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

standard performance criteria established by the school for each skill area. The standard performance criteria for each skill area shall be delineated in the examination records as specified in subsection (h), below.

- d) A passing score of 75 or greater shall be required on both the theoretical and practical portions of the final examination.
- e) The school shall allow each candidate for graduation at least 3 ~~three~~ attempts to pass the final exam.
- f) The Department may monitor the administration of the final examination:

- 1) As a result of a complaint received;
- 2) For random sampling;
- 3) To collect data; and/or
- 4) When the failure rate on the licensure examination for school graduates is greater than 25%.

- g) The Department shall maintain records of each school's graduate failure rate on the licensing examination. The records shall reflect only first-time graduation attempts for each graduate. The examination results shall not be used to determine the failure rate in the licensing examination. The student records of this school shall be maintained by the school with one-half or more of this school's graduates from a 5-year period. The school shall maintain records of the final examination for a period of no less than 5 years in the manner prescribed in Section 1175.520 of this Part. These records shall include:

- 1) A copy of the final examination administered; and
- 2) Each seen student's examination grades.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.545 Change of Ownership

- a) When the ownership of an approved school changes, the new owner shall, within 5 working days of the date of the change, file with the Department a written notice of the change of ownership, containing the following:
 - 1) An affidavit stating that the new owner is not a corporation, partnership, or other legal entity, contingent on a certificate being issued to the new owner. If this is not provided, the school must close on the date of the transfer and remain closed until a new certificate is issued;
 - 2) A signed and completed school application;
 - 3) A floor plan drawn to scale if any expansion is to be done by the new owner;
 - 4) A copy of a lease agreement showing at least a 1 year commitment

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

- 5) Of certification of school site ownership;
- 6) A copy of the student contract that which will be utilized by the new owner;

- 7) Incorporation;
- 8) If owner is a partnership, a listing of all partners and their addresses;

- 9) A signed inspection report by the local fire inspection authority within 6 months of application approving the school site;

- 10) Financial statement prepared by a public accountant licensed by the State of Illinois pursuant to the Illinois Public Accounting Act and who is not an employee of the school, indicating sufficient current financial resources to operate the school for at least 3 months; A copy of the financial statement shall be submitted to the Department showing the average monthly income for the school for the 3 months as evidenced by the owner's signature attesting that the information is true; If a name change is to also occur, the new owner must submit a sample of the new school seal and a photo of the new school sign; and

- 11) The required fee set forth in Section 1175.100.

- b) Once the above items have been received, the Department shall conduct an inspection prior to approval of the change ownership. Approval will be granted if all of the requirements of Subpart E have been met.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.550 Change of Location

- a) When the location of an approved school is changed, the school owner shall submit to the Department the following:

- 1) Written notice to the Department at least 30 days in advance of the school site change;
- 2) A signed and completed school application;
- 3) A floor plan;
- 4) A copy of a lease agreement showing at least a 1 year commitment or certification of ownership of school site;

- 5) A signed inspection report by the local fire inspection authority within 6 months of application approving the site; and

- 6) The required fee set forth in Section 1175.100.

- b) Once the above items have been received, the Department shall inspect the premises to determine compliance with this Part. School operations shall not commence at the new location nor may the school in any way solicit student enrollment until the owners have received written notice of approval from the Department. Approval will be granted if all of the requirements of Subpart E have been met.

- c) If the change of location is due to natural destruction of the

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

original premises, a temporary site may be used to teach theory classes only.

- 1) The temporary site must be inspected prior to its use and must possess light and ventilation, tables and chairs for the number of students in classroom, and must be clean.
- 2) The temporary site may be used for a period of 2 months. The 2 month period can be extended for good cause. Good cause includes, but is not limited to, unexpected delays in construction, delays in lease arrangements, or delays in equipment delivery.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.560 Expansion

- a) Written notice shall be given to the Department 30 days prior to any expansion or an approved school in an off-site classroom location, a completed school application must be submitted along with:

- 1) A detailed floor plan drawn to scale;
- 2) A copy of a lease showing at least a 1 year commitment to the use of the site or certification of ownership of the proposed site;
- 3) A signed fire inspection report from a local fire authority within 6 months of application giving approval for use of the site as a classroom location;
- 4) A statement from the school owner outlining the purpose of the classroom location;

- 5) A listing of any and all additional teachers who will be added to the teaching staff as a result of the expansion;
- 6) A financial statement prepared by a public accountant licensed by the Department pursuant to the Illinois Public Accountant Act and who is not an employee of the school, indicating sufficient finances exist to operate the school for at least 3 months; and A financial statement of assets, liabilities and net worth which shall reflect the school's assets and debts inclusive of debts that are secured by student loan disbursements.

- 7) The required expansion shall be submitted to the Department.

- 8) An off-site classroom location is defined as a classroom that is located within 5 miles of the main school site, and which serves to provide adequate space in which to train an overflow of students. A clinic may not be created at an off-site classroom location. A school may establish only one off-site classroom location. All identifying signs and materials must reflect the name of the main school.

- c) When an on-site expansion is to accommodate an increased enrollment, a completed school application shall be submitted along with:

- 1) A detailed floor plan;

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

- 2) A statement from the school owner outlining the purpose of the expansion;

- 3) A listing of any and all additional teachers who will be added to the teaching staff as a result of the expansion; and

- 4) The required inspection fee.
- Upon receipt of the above items, the Department shall inspect the site to determine compliance with this Part. The site shall be used until such time as the Department and the school have received written notification of approval from the Department. Approval will be granted if all of the requirements of Subpart 2 have been met.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.570 Withdrawal of Approval

- a) The Department may withdraw, suspend or place on probation, pursuant to 68 Ill. Adm. Code 110, the approval of a school of cosmetology when the quality of the program has been affected by any of the following causes:

- 1) Gross or repeated violations of any provisions of the Act or this Part;
- 2) Fraud or dishonesty in furnishing transcripts or documentation for evaluation of the school;

- 3) Failure to meet the criteria for school approval in Section 1175.500;

- 4) Failure to administer the final examination as specified in this Part;

- 5) Failure to maintain final examination grades for each student and a master of the examination administered as specified in this Part;

- 6) Fraud or dishonesty in providing transcripts to students who have fulfilled all obligations under Section 1175.510;

- 7) Failure to provide transcripts to students;

- 8) A finding by the U.S. Office of Education or Illinois State Scholarship Commission that a school has misappropriated or misused grant or loan monies or has aided in obtaining such monies by providing fraudulent or untruthful information; or

- 9) Any other violations of the Act and this Part.

- b) Performance record on licensing examination

- 1) When a school's graduates have 2% or greater failure rate on the licensing examination, Department approval of a school shall be withdrawn pursuant to Section 1175.500.

- 2) When a school's graduates have 2% or greater failure rate on the licensing examination, Department approval of a school shall be withdrawn pursuant to Section 1175.500.

- 3) When a school's graduates have 2% or greater failure rate on the licensing examination, Department approval of a school shall be withdrawn pursuant to Section 1175.500.

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.705 Examination - Esthetics Teacher

a) Eligibility. Each applicant must meet the following requirements pursuant to Section 117.3 of the Act prior to filing an application for the esthetics teacher examination:

- 1) Be at least 18 years of age;
- 2) Be a high school graduate graduated from high school or its equivalent;
- 3) Hold a current license certificate-of-registration as a registered cosmetologist or esthetician; and

4) Either:

- A) Complete completion of 300 hours of teacher training in an approved cosmetology or esthetics school and had 2 years of experience as a licensed cosmetologist or esthetician within 5 years preceding application; or
- B) Complete 1200 hours of teacher training in a licensed or approved cosmetology school approved to teach esthetics or in an esthetics school.

b) Application. Each applicant shall file an application, on forms furnished by the Department, at least 45 days prior to an examination date. The application shall include:

- 1) Proof of marriage (i.e. marriage license, divorce decree, affidavit, or court order) if different than shown on supporting documents;
- 2) The required fee set forth in Section 117.1100;
- 3) Either:

- A) An official transcript from an approved school of esthetics or cosmetology showing successful completion of 500 esthetics teacher training as outlined in Section 1175.615 or 1175.620; or
- B) An official transcript from an approved school of esthetics or cosmetology (see Subpart 3 or Subpart 5) showing successful completion of 1200 hours of teacher training as outlined in Section 1175.635 or 1175.640.

4) A certificate work history since graduation from an esthetics or cosmetology school; and

- 5) A copy of the applicant's current Illinois esthetician or cosmetology license;
- 6) Any person who holds a license who held a cosmetologist's license shall be required to submit a certificate of competency in the use of machines (electrical-heating-misty steamer,

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

disincrustation decrustation machine, etc.) utilized in the practice of esthetics. Such certificate shall be from the school of cosmetology or esthetics or the manufacturer of such machines used in esthetics; and-

- 7) If licensed in another state, a certification of licensure from the state of original licensure and from the state of current licensure of the most recent practice.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.710 Examination Requirements

- a) A separate examination shall be administered by the Department or its designated testing service for cosmeticians and estheticians teachers and shall cover subject matter as set forth in Section 3A-5 of the Act.
- b) The passing grade in each examination is 75.
- c) Retakes

- 1) Esthetician. An applicant who fails to pass a third second examination to become a licensed esthetician must submit an official transcript from a cosmetology school approved to teach esthetics or an esthetics school approved by the Department showing successful completion of a 125 hour refresher course prior to taking the examination a fourth third time.
- 2) Esthetics teacher. An applicant who fails to pass a third examination to become a licensed esthetics teacher must submit an official transcript from a licensed esthetics school approved to instruct esthetic teachers showing successful completion of an 80 hour refresher course prior to taking the examination a fourth time.

- 3) An applicant upon failing the fourth fifth examination to become a licensed cosmetician or esthetics teacher must submit an official transcript from an approved esthetics or cosmetology school showing successful completion of the entire course of esthetics training prior to taking the examination a fifth sixth time.

- 4) For purposes of the examination retakes, the fifth sixth attempt shall count as the first.
- 5) An applicant shall make a written request for an examination retake at least 45 days in advance of the examination date. Such a request must include the required examination fee and official transcripts when further study is required in accordance with subsections (2)(b) and (2) above.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.715 Application for Licensure

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

a) Applicants for licensure based on examination shall submit to the Department:

- 1) A signed and completed licensure application which the applicant will receive with the notification of successful completion of the examination;

- 2) Proof of name change (i.e., marriage license, divorce decree, affidavit of court order) if different from that shown on previously filed licensure application in Section 1175.100;

- 3) Endorsement fee in Section 1175.100.

b) Cosmetology teacher's license in Illinois who is applying for an esthetics teacher's license will not be required to take the examination set forth in Section 1175.705. An application shall be submitted to the Department which includes:

- 1) A copy of their current cosmetology and cosmetology teacher license;

- 2) A complete work history since completion of teacher training;
- 3) A certificate of competency in the use of machines (electret, waving-iron, steamer, disentanglement, decoration machine, etc.) utilized in the practice of esthetics. Such certificate shall be from the school of cosmetology or esthetics or the manufacturer of such machines used in esthetics; and
- 4) The required fee set forth in Section 1175.100.

c) A licensed cosmetology teacher who will be teaching esthetics in an approved esthetics school or in a cosmetology school approved to teach esthetics, however, will be required to submit a written request to the Department notifying it of his/her intent to teach esthetics. The written request shall be accompanied by:

- 1) A certificate from cosmetology teacher license; and
- 2) A certificate from the manufacturer of machines (electret, waving-iron, steamer, disentanglement, decoration machine, etc.) utilized in the practice of esthetics. Such certificate shall be from the school of cosmetology or esthetics or the manufacturer of such machines used in esthetics.

- 3) The Department shall issue a letter of authority to the individual that he/she is approved to teach esthetics in Illinois.

d) Nothing in this Part requires a licensed cosmetologist to obtain a license to practice esthetics or a licensed cosmetology teacher to obtain a license to practice or to teach esthetics.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.720 Endorsement

a) An applicant who is currently licensed as an esthetician in another jurisdiction and who is seeking licensure in Illinois by endorsement shall file an application, on forms provided by the Department, which

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

shall include:

- 1) A certification from the jurisdiction of original licensure stating:

- At the number of esthetics training hours received;

- At a brief description of any licensure examination taken and the grades received; and

- At whether the applicant's file contains any record of disciplinary actions taken or pending.

- 2) Official transcripts from the school(s) attended by the applicant showing the courses completed and the hours received with the school seal affixed;

- 3) Certification of current licensure if other than original;

- 4) A complete work history showing all employment since graduation from esthetics school to present;

- 5) Proof of any name change (i.e., marriage license, divorce decree, affidavit of court order) if name is other than that shown on attached documents;

- 6) The required fee set forth in Section 1175.100; and

- 7) A copy of the licensing act applicable on the date of original licensure showing the requirements for licensure if requested by the Department in the application review. The Department will make such a request if the application materials are incomplete.

b) An applicant who is currently licensed as an esthetics teacher in another jurisdiction and who is seeking licensure in Illinois by endorsement shall file an application, on forms provided by the Department, which shall include:

- 1) A certification from the jurisdiction of original licensure stating:

- At the number of esthetics teacher training hours received;

- At a brief description of any licensure examination taken and the grades received; and

- At whether the applicant's file contains any record of disciplinary actions taken or pending.

- 2) Official transcripts from the school(s) attended by the applicant showing the courses completed and the hours received with the school seal affixed;

- 3) Certification of current licensure if other than original;

- 4) Two verification of employment forms shall be submitted by the applicant who completed at least 100 hours of teacher training but less than 1000 hours. An esthetics teacher applicant shall submit a verification of 2 years of lawful practice as an esthetician if re-certified;

- 5) Two verification of employment forms indicating 3 years of lawful practice in another jurisdiction shall be submitted by the applicant who is applying as an esthetics teacher on the basis of 3 years of lawful practice.

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

- 6) A complete work history showing all employment since graduation from basic esthetics school to present;
- 7) Proof of name change (i.e., marriage license, divorce decree, affidavit or court order) if name is other than that shown on any of the documents submitted;
- 8) A copy of the applicant's current Illinois esthetician or cosmetologist license;
- 9) The required fee set forth in Section 1175.100; and
- 10) A copy of the licensing application on the date of original licensure showing the requirements for licensure if requested by the Department in the application review. The Department will make such a request if the application materials are incomplete.
- c) An applicant for licensure as an esthetician who is licensed in another jurisdiction shall be given 300 hours of educational credit for every 12 month period during which he/she was lawfully employed as an esthetician. To obtain credit for work experience, the applicant must submit verification of employment in support of the work experience claims provided by the Department. A certification of licensure from the jurisdiction in which the lawful practice is claimed must also be submitted.
- d) An applicant applying for licensure as an esthetician or esthetics teacher on the basis of endorsement who has previously failed the licensing examination in Illinois shall not be approved for licensure on the basis of endorsement unless a) the applicant has successfully completed the verification of successful completion of a substantially equivalent licensure examination and fulfills the requirements set forth in Section 1175.710(c). The successful completion of the substantially equivalent examination and fulfillment of applicable requalification requirements must occur after the most recently failed examination attempt in Illinois.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.725 Renewals

- a) Every license issued under the Act shall expire as follows:
- 1) Esthetician and esthetics school licenses shall expire on September 30 of each even-numbered year.
 - 2) Esthetician licenses shall expire on September 30 of each odd numbered year.
 - 3) The holder of a license certificate of registration may renew the license certificate of registration during the month preceding its expiration date.
- b) Applicants for renewal shall:
- 1) Return a completed renewal application.
 - 2) Esthetician. Certify on the renewal application to successful completion of a minimum of 10 hours of continuing education from

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

an esthetics continuing education sponsor approved by the Department, in accordance with Section 1175.1200 1175.990 of this Part, within the 2 years prior to the expiration date of the license:

- A) For the September 30, 1993, renewal, each individual who applies for renewal of their esthetician license other than first-time renewal applicant will be required to complete 10 hours of continuing education in accordance with Subpart 1175.1200 1175.990 of this Part.

A) A renewal applicant is not required to comply with continuing education for the first renewal after issuance of original licensure. The Department may require additional evidence demonstrating compliance with the requirements (i.e., certificate of attendance or certificate of completion). It is the responsibility of each renewal applicant to provide or otherwise produce evidence of such compliance. Such evidence shall be required in the context of the Department's random audit.

B) Esthetician who has held an esthetician license may elect to obtain their continuing education hours from an esthetician teacher continuing education sponsor approved by the Department in accordance with Section 1175.990 of this Part. These hours will be applied toward the fulfillment of the requirement of the esthetician teacher continuing education requirement. In addition, the hours must be recorded during the appropriate renewal period.

- 3) Esthetic Teacher. Certify on the renewal application to successful completion of a minimum of 20 hours of continuing education from esthetician teacher continuing education sponsor approved by the Department, in accordance with Section 1175.1200 1175.990 of this Part, within the 2 years prior to the expiration date of the license:

A) For the September 30, 1993, renewal, each individual who applies for renewal of their esthetician teacher license will be required to complete 20 hours of continuing education in accordance with Subpart 1175.1200 1175.990 of this Part.

A) Beginning with the September 30, 1998, renewal, each individual who applies for renewal of his/her esthetician teacher license, other than first-time renewal applicant, will be required to complete 20 hours of continuing education in accordance with Section 1175.1200 1175.990 of this Part, within the 2 years prior to the expiration date of the license:

- i) Teaching methodology;
- ii) Educational psychology;
- iii) Classroom management or

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

- iv) Other teaching related courses.
- B) A renewal applicant is not required to comply with continuing education for the first renewal after issuance of original license.
- C) The Department may require additional evidence demonstrating compliance with the CE requirements (i.e., certificate of attendance or certificate of completion). It is the responsibility of each renewal applicant to retain or otherwise produce evidence of such compliance. Such evidence shall be required in the context of the Department's random audit.
- 4) Submit the required fee set forth in Section 1175.100.
- 5) It is the responsibility of each licensee to notify the Department of any change of address. Failure to receive a renewal form from the Department shall not constitute an excuse for failure to renew a license.
- 6) Practicing or operating on a license that which has expired shall be considered unlicensed activity and shall be grounds for discipline pursuant to Section 4-7 of the Act.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.730 Restoration - Esthetics

- a) A person applying for restoration of a his license as an esthetician that which has expired for less than 5 years shall submit an application on forms provided by the Department; and
- 1) Pay the required fee; and
 - 2) Provide evidence of successful completion of 10 hours of continuing education in accordance with Section 1175.1200 hereafter of this Part; earned within the 2 years immediately preceding the restoration; if restoring on or after September 30, 1993.
 - 3) If restoring after active military service, the applicant shall submit a copy of the applicant's Honorable Discharge form (DD-214) and the current renewal fee.
- b) A person applying for restoration of a his license as an esthetician that which has expired for 5 years or more shall submit an application on forms provided by the Department; along with:
- 1) Verification of employment attesting to lawful practice in another jurisdiction within the 5 years preceding application for restoration;
 - 2) Certification from the appropriate licensing authority in the jurisdiction in which lawful practice is claimed;
 - 3) A complete work history showing all employment since the license lapsed or was placed on inactive status;
 - 4) A completed Restoration Questionnaire;

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

- 5) Evidence of successful completion of 10 hours of continuing education earned within the 2 years immediately preceding restoration; and
- 6) The required fee set forth in Section 1175.100; or
- 7) If restoring from active military service, a copy of the applicant's DD-214 must be submitted and the current renewal fee.
- c) An applicant for restoration who has not maintained a lawful practice (as determined by the Department's jurisdiction) in another jurisdiction shall also submit official documentation showing successful completion of a 125 hour esthetics refresher course following successful completion of a 125 hour esthetics school or pass the esthetics license cosmetology or esthetics school or pass the esthetics license examination pursuant to Section 1175.110 within 2 years of application for restoration. An applicant who completes this refresher course shall not also be required to complete 10 hours of continuing education.
- d) If an applicant takes and fails the examination, the license will not be restored until such time as he/she has successfully completed the examination.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.735 Restoration - Esthetics Teacher

- a) A person applying for restoration of a his license as an esthetics teacher that which has expired for less than 5 years shall submit an application on forms provided by the Department; and
- 1) Pay the required fee as set forth in Section 1175.100; and
 - 2) Provide evidence of successful completion of 20 hours of continuing education in accordance with Section 1175.1210 hereafter of this Part; earned within the 2 years immediately preceding the restoration; if restoring on or after September 30, 1991; or
 - 3) If restoring after active military service, the applicant shall submit a copy of the applicant's Honorable Discharge form (DD-214) and the current renewal fee.
- b) A person applying for restoration of a his certificate as an esthetics teacher that which has been expired for 5 years or more shall submit an application on forms provided by the Department; along with:
- 1) Verification of employment attesting to lawful teaching practice in another jurisdiction within the 5 years preceding application for restoration;
 - 2) A certification from the appropriate licensing authority in the jurisdiction in which lawful practice is claimed;
 - 3) Jurisdiction work history showing all employment since the Illinois Esthetics Teacher License lapsed;
 - 4) A completed Restoration Questionnaire;
 - 5) A copy of the applicant's current Illinois esthetician or cosmetology license; and

DEPARTMENT OF PROFESSIONAL REGULATION

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

NOTICE OF PROPOSED AMENDMENT(S)

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- D) A copy of the enrollment agreement students contract to be used by the school.
 - E) A copy of the aesthetics curriculum.
 - F) A listing of all esthetics and cosmetology teachers, including their teacher license number, who will be in the school's employ.
 - G) A letter of authorization to each instructor to teach in the Department in accordance with the Department's rules and regulations.
 - H) A letter to be submitted with the application.
 - I) A copy of the school's official transcript.
 - J) The required fee set forth in Section 115.100.
- When the above items have been received, the Department shall inspect the school premises, prior to school approval, to insure compliance.
- Each applicant school shall have next the following:
- A) At least one fire safety chair for every two students enrolled.

- B) At least one the work station or position for every 2 the students.
- C) Every work station shall have 1 one set of facial equipment to include manual, mechanical, or electrical apparatus as follows:
- 1) electrical-heating-mask
 - 2) fluff steamer
 - 3) fluff brush
 - 4) fluff brushing brush
 - 5) fluff vacuum
 - 6) fluff vacuum vacuum/spray machine
 - 7) fluff glass plate electrode or high frequency current
 - 8) fluff placentation dermestration machine
 - 9) fluff fluff One magnification lamp
 - 10) fluff Woods lamp
- D) Provide provide an esthetics curriculum in accordance with Sections Section-1175.833 and 1175.835 and 1175.840.
- E) Cosmetology schools approved to teach esthetics shall be required to comply with all provisions in this Part except for Section 1175.811(a) and (b).

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.810 Physical Site Requirements

- a) Space Requirements
- 1) A school shall have a minimum of 1,800 square feet for a maximum of 20 students. An additional 40 square feet is required for each additional student if attendance exceeds 20 on the clinic day.

- 2) The school shall be partitioned to provide for the following areas:
 - A) Dispensary area
 - B) Laboratory
 - C) Classrooms
 - D) Separate restrooms
 - E) Separate restroom for males and females
 - F) Public Aesthetic waiting area separated from the work area
 - G) Student A-student lounge area
 - H) Storage space
 - I) Locker space
 - J) Conference room
 - K) Other areas for school administration
- 3) All work stations of the school shall be ventilated and lighted.
- 4) Equipment requirements - All equipment shall be in working condition and sufficient for the number of students enrolled. Minimum requirements for school equipment are A-student-shall have the following equipment design designating the name of the school:
 - 1) A school seal;
 - 2) A time clock or other equipment necessary for verification of attendance and hours earned;
 - 3) A minimum of ten ten-student chairs. For enrollment over 10, one facial chair per two students;
 - 4) A minimum of ten work stations. For enrollment over 20, one work station or position per two students;
 - 5) Every station shall have one set of facial equipment to include manual, mechanical, or electrical apparatus as follows:
 - A) electrical-heating-mask
 - B) Steamster
 - C) Brushing unit
 - D) Vacuum vacuum spray machine
 - E) Classification electrode or high frequency current
 - F) Classification electrode machine
 - G) Classification electrode machine
 - H) Classification electrode machine
 - I) Classification electrode machine
 - J) Classification electrode machine
 - K) Classification electrode machine
 - L) Classification electrode machine
 - M) Classification electrode machine
 - N) Classification electrode machine
 - O) Classification electrode machine
 - P) Classification electrode machine
 - Q) Classification electrode machine
 - R) Classification electrode machine
 - S) Classification electrode machine
 - T) Classification electrode machine
 - U) Classification electrode machine
 - V) Classification electrode machine
 - W) Classification electrode machine
 - X) Classification electrode machine
 - Y) Classification electrode machine
 - Z) Classification electrode machine
- 5) Trays for facial supplies
- 6) One (1) dry towel per two work stations
- 7) One (1) dry towel per two work stations
- 8) One (1) dry towel per two work stations
- 9) One (1) dry towel per two work stations
- 10) Cream, soap and other necessary supplies for facial
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- 1) An entrance sign designating the name of the school;
- 2) A school seal;
- 3) A time clock or other equipment necessary for verification of attendance and hours earned;
- 4) A minimum of 10 ten facial chairs. For enrollment over 20, one facial chair per 2 two students;
- 5) A minimum of 10 ten work stations. For enrollment over 20, 1 one work station of position per 2 two students;
- 6) Every station shall have 1 one set of facial equipment to include manual, mechanical, or electrical apparatus as follows:
 - A† electrical-heating-mask
 - B† steamster
 - C† Bushing
 - D† Bushing erasing
 - E† Vacuum vacuum spray machine
 - F† Glass glass electrode or high frequency current
 - G† Electrocardiogram electrocardiogram machine
 - H† Magnification the magnification lamp
 - I. Good lamp
- 7) Trays for facial supplies
- 8) One (1) dry station per 2 two work stations;
- 9) One (1) dry supply cabinet containing lotions, tonics, demulcents, and a vacuum spray apparatus for facials;
- 10) Demulcent and a vacuum spray apparatus for facials;
- 11) Adequate covered disposal cans placed at convenient locations;
- 12) One (1) covered container for soiled towels for each 10 students in clinical work area;
- 13) Closed cabinet equipped for storing towels; and-
- 14) One (1) bed form or chart per Class.

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

c) Sanitary Regulations

- 1) Clean outer garments must be worn at all times. No open toed shoes shall be worn by students.
- 2) All instruments shall be sanitized before and after use on each patient.
- 3) Clean towels shall be used for each patient.
- 4) Hands must be cleansed before and after serving each patient.
- 5) After serving each patient is served, electrical equipment must be sanitized according to manufacturer's specifications. All other equipment should be washed in water and sanitized before use.
- 6) The head rests of any chair shall be protected with a disposable cover and changed after each patient.
- 7) Non-disposable head coverings must be laundered and sanitized after each separate use.
- 8) All powders, lotions, creams, and other cosmetics shall be kept in clean, closed containers. All cosmetics shall be applied by sanitary applicators and removed from the container with a sanitized applicator.
- 9) No staff, janitor, teacher, or school administrator shall knowingly permit any person suffering from a serious communicable disease as defined in 77 Illinois Code of Regulations to work on the premises, or knowingly permit a student to serve a patient with a serious communicable disease.
- 10) No animals or pets, except seeing eye/hearing dogs, shall be permitted on school premises.
- 11) The floors, walls and furniture shall be kept clean at all times.
- 12) An adequate supply of hot and cold running water shall be available for school operation.
- d) Textbooks/Teaching Materials - Textbooks shall be provided for each student in attendance.
- e) Teachers - The student/teacher ratio during clinical instruction shall not exceed a 20 to 1 ratio.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 175.915 Enrollment Agreements and Refund Policy Student Contracts

- a) All licensed esthetic schools shall have enrollment agreements that meet the requirements of Section 175.912 of the Act.
- b) All licensed esthetic schools shall have refund policies pursuant to Section 175.913 of the Act and this Act.
- c) When notice of cancellation is given after the fifth day following enrollment but before the completion of the student's first day of class attendance, the school may retain no more than the application and registration fee, plus the cost of any books or materials which have been provided by the school and retained by the student (Section 175.913(b)). The cost of books for

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

PURPOSES OF REFUNDS is the cost of the books charged to the student, not the cost of the books to the school.

- 2) For students who enroll in and begin classes, tuition adjustment shall be made in the following manner:

PERCENTAGE TIME TO TOTAL TIME OF COURSE	AMOUNT OF TOTAL TUITION OWED TO THE SCHOOL
0.01% to 4.9%	10%
5% to 9.9%	20%
10% to 14.9%	40%
15% to 24.9%	45%
25% to 49.9%	70%
50% and over	100%

0.01% to 4.9%

5% to 9.9%

10% to 14.9%

15% to 24.9%

25% to 49.9%

50% and over

100%

- a) All student contracts used with students or prospective students of an approved esthetic school or cosmetology school approved to teach esthetics shall be clearly labeled as a contract and shall include the following information:
 - 1) The name and address of the school
 - 2) The name and address of the student
 - 3) The date the contract was signed by the student and the date the student was admitted
 - 4) The name and description of the course of instruction including number of class hours in each course and an appropriate number of clock hours required for completion
 - 5) The scheduled start date and anticipated completion date
 - 6) A clear and complete description of the refund policy under which it is explained that the student is not to cancel under the initial enrollment agreement until the first day of class business day after the student has been enrolled and in which the right to cancel is not given to any prospective student at the time the enrollment agreement is signed, when the student has the right to cancel the agreement at any time and receive a refund of all monies paid to date within 15 days of cancellation
 - 7) A notice to the student that the cancellation must be in writing and given to the registered agent for any or managing employee of the school
 - 8) The name of the school employee or agent responsible for preparing the contract describing the student
 - 9) A clear statement that the institution does not guarantee employment and a statement describing the school's placement assistance procedures
 - 10) The graduation requirements of the school
 - 11) The total cost of the course of instruction including any charges made for tuition, books, materials, supplies, and other expenses
 - 12) Other pertinent statements that the contract is a legally binding instrument and signed by the student and accepted by the

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

NOTICE OF PROPOSED AMENDMENT(S)

school

- 12) A clear and concise statement that if an approved ethics school transfers any contract or interest in the contract to another party, the student has the right to refuse to be bound by the transfer or by the transferor.
- 13) The contents of the following notice in at least 10 point bold type:

AMENDS TO THE STUDENT

no contract or interest in the contract.

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- 4) Signature of owner, registrar or director of the school;
- 5) Student's name, address and social security number;
- 6) Actual school dates student attended;
- 7) Subject areas, hours earned and grades received;
- 8) Any transfer hours citing the name and address of school transferred from, subject areas, hours earned and grades received;
- 9) Final first examination grades; and
- 10) Graduation transcript date.

b) The official transcript and school records for each student shall be permanently maintained by the school in the following manner:

- 1) If maintained on the school premises, they shall be maintained in a locked, fire-resistant fireproof cabinet. If official transcripts are maintained on a computer system, history tapes or disks of all official records must be stored in a locked, fire-resistant fireproof cabinet.
- 2) If records are maintained on the premises in a locked fire-resistant fireproof cabinet, the principal or his/her designee shall maintain a separate location which shall be made known to the principal. Such records shall be accessible to Department officials for inspection.

c) An official transcript and school records for students who withdraw or dropped out of a program shall be maintained by the school for 7 years from the student's last day of attendance at the school.

d) A copy of the transcript shall be given to the student upon graduation or other permanent exit from the school provided the student has met all financial obligations set forth in the enrollment agreement student contract as set forth in Section 1175.815.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.830 Recordkeeping - Hours Earned

- a) A complete and accurate record of hours of attendance for each student must be recorded and maintained by the school.
- b) If a time clock is used, each student shall punch his/her own time card. No student, teacher or any other person shall punch the time card of another student. If a time clock is not used, there shall be another verifiable method used by the school to record student hours. The records must be in a form that will allow the student to receive a written report of hours earned. This report of hours earned shall be provided to the student on a monthly basis.
- c) Credit for hours earned away from school premises shall be awarded only if students are supervised by a licensed instructor or by a licensed esthetician or licensed cosmetologist in the case of an

- 12) A clear and concise statement that if an approved ethics school transfers any contract or interest in the contract to another party, the student has the right to refuse to be bound by the transfer or by the transferor.

13) The contents of the following notice in at least 10 point bold type:

AMENDS TO THE STUDENT

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(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.825 Recordkeeping - Transcripts

- a) Each school shall provide an official transcript showing the entire course work of each student. The official transcript shall contain the following information:
- 1) School's name, address;
 - 2) School's name and address;
 - 3) School's name and address;

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

- Internship. Credit hours for outside study may include workshops, short-term programs, films, and demonstrations and internship training in a field from the following list:
- d) Hours earned away from the school premises shall be recorded on school time forms. These forms shall include: the school's seal, name of student, event or program attended, date attended, signature of student and signature of supervising, licensed instructor.
 - e) Instructors shall review the hours earned by each student monthly. Each month the instructor shall issue a signed written monthly report to the student showing the actual number of hours earned by the student.
 - f) Time cards may be destroyed upon the student's permanent exit from the school and after all hours earned are recorded on the official transcript.
 - g) An hour is not less than 50 nor more than 60 minutes of instruction.
 - h) A licensed instructor shall supervise all classroom, practical and clinical study. No credit shall be given for unsupervised study.
- (Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.835 Curriculum Requirements - Esthetics

- a) Each licensed cosmetology school teaching an esthetics curriculum and licensed esthetics school shall provide a minimum of 750 hours of course instruction as follows:
 - 1) Basic Training 440-460 hours and practical application - 75 to 99 hours of classroom instruction in general theory and practical application shall be provided which shall be divided into the following subject areas:
 - history of skin care
 - personal hygiene and public health
 - professional ethics
 - understanding the uses of electricity
 - sterilization and sanitation
 - introduction to skin analysis and skin care and facial treatments
 - 2) Scientific concepts 150 hours of classroom instruction, shall be provided in the following subject areas:
 - basic anatomy and body systems
 - physiology and histology of the skin
 - human anatomy
 - chemistry - understanding chemicals and their use
 - disorders of the skin and special esthetics procedures
 - 3) Practices and Procedures - 300 to 495 hours of instruction, which shall be a combination of classroom instruction and clinical application, shall be provided in the following subject areas:

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

- non-therapeutic massage, excluding the scalp nutrition and health of skin skin analysis cleansing the skin mask therapy and facial treatments facial treatments without the aid of machines electricity, machines and apparatus electric currents with the aid of machines hair removal, including tweezing method, depilatories, waxing and their use
- professional makeup techniques
- product knowledge as it relates to esthetics
- Business Practices - 25 hours of classroom instruction shall be provided in the following subject areas:
 - Illinois Sales, Cosmetology, and Esthetics and Nail Technology Act, and Rules Management
 - OSHA standards relating to chemical use
- Internship Program is an optional part of the curriculum. Each licensed esthetics school may choose to set up an internship program and shall follow the guidelines set forth below:
 - A) An internship program:
 - 1) May be substituted for 75 hours of the 750 hours set forth in subsection (a) of this Section.
 - 2) May be part of the curriculum of a licensed esthetics school and shall be an organized preplanned training program designed to allow a student to learn esthetics under the direct supervision of a licensed cosmetologist or licensed esthetician in a registered salon.
 - B) A student in the internship program:
 - 1) May participate in an internship program only after completing 375 hours of training and have a minimum average grade of 80. A school may set the average grade higher and set other standards that a student must meet to participate in the internship program.
 - 2) May not spend more than 75 hours in an internship program.
 - 3) May not be paid while participating in this internship program as it is a part of the esthetics curriculum of the school.
 - 4) May work a maximum of 8 hours a day and shall be required to spend 1 day a week at the school.
 - 5) Shall be under the direct on-site supervision of a licensed cosmetologist or licensed esthetician. Only a student shall be supervised by a licensed cosmetologist or licensed esthetician.
 - C) A licensed esthetics school shall state clearly in the student contract of enrollment agreement that the school

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

D) Offers an internship program.

The licensed esthetics school shall enter into a contract with the student, the registered salon and licensed cosmetologist or licensed esthetician. The contract shall contain all the terms and conditions of the internship program. This section and any other provisions of regulation shall be subject to the approval of the Department of Professional Regulation established by the school. The contract shall be signed by the student, the school, and the licensed cosmetologist or licensed esthetician. Any party of the contract may terminate the contract at any time.

b) An esthetic student is not permitted to practice on the public until the successful completion of 75 hours successfully completed the 400 hours of basic training theory and practical application specified in subsection (a)(1) above.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.840 Curriculum Requirements - Esthetics Teachers

a) An approved school that when intends to provide teacher training must utilize a teacher curriculum which includes a minimum of 250 hours as follows:

- 1) 250 hours of Post-Graduate School Training which includes: all subjects in the basic esthetics curriculum in Section 1175.835 including theory and practice. Presentation of material must include the concepts that when are intended to be taught and the skills to be acquired during the various phases of basic education.

2) 20 hours of Educational Psychology that which shall include, but not be limited to, topics in educational objectives, student characteristics and development, the learning process and an evaluation of learning which relates to teaching. This course shall be presented by a person qualified to teach educational psychology at the college level or a licensed cosmetology or esthetics teacher who has completed a course of instruction that when included the topics set forth above or an equivalent program. These hours shall be waived on behalf of esthetics students who have completed a course in Educational Psychology at an accredited college or university within the five years immediately preceding admission to the esthetics teacher program.

3) 20 hours of Teaching Methods (Theory) that when shall include but not be limited to, topics in individual differences in learning, lesson planning and design, lesson delivery, assessment of learning performance, classroom management, student motivation and classroom climate. This course shall be presented by a person qualified to instruct in Teaching Methods - Secondary

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

Level at a college or university or a licensed cosmetology or esthetics teacher who has completed a course of instruction that when included topics set forth above or an equivalent program. These hours shall be waived on behalf of esthetics teacher students who have completed a course in Teaching Methods - Secondary Level at an accredited college or university within the five years immediately preceding admission to the esthetics teacher program.

- 4) 15 hours of Application of Teaching Methods that include which includes the organization of subject matter to be presented on unit by unit basis and presentation of subject matter through application of varied methods (lecture, demonstration, testing and assignments) presentations that provide teaching objectives to be accomplished and correlate theoretical with practical application.
- 5) 50 hours of Business Methods that when include: Inventory record keeping, interviewing, supplies, The Illinois Barber, Cosmetology and Esthetics and Nail Technology Act of 1965 and 68 Ill. Adm. Code 1175.

6) 260 hours of Student Teaching under the on-site direct supervision of an Illinois licensed teacher. The student teacher shall present theoretical and practical demonstrations to students in the basic curriculum.

b) The approved curriculum for a 500 hour Teacher Training Course shall be based upon 2 years of practical experience and shall consist of the Teacher Training Curriculum outlined in this Section 1175.840 with the exception of the 250 500 hours of Post-Graduate Training.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.845 Final Examination

a) A school shall require each candidate for graduation to pass a final examination that when shall test the student's theoretical and practical knowledge of the curriculum studied.

b) The practical examination shall test the candidate's skills in the following areas:

- 1) Non-therapeutic non-therapeutic massage;
- 2) Electrical electrical facial treatments;
- 3) Other other kinds of facial treatments;
- 4) Makeup makeup application; and
- 5) Hair hair removal.

c) The examination shall be administered by the uniform application of standard performance criteria established by the school for each skill tested. The standard performance criteria for each skill area shall be delineated in the examination records as specified in subsection (b), below.

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

- 2) The temporary site may be used for a period of 2 months. The 2 month period can be extended for good cause. Good cause includes, but is not limited to, unexpected delays in construction, delays in lease arrangements or delays in equipment delivery.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.865 Expansion

- a) Written notice shall be given to the Department 30 days prior to any expansion of an approved school.
 - b) When the expansion will result in an off-site classroom location, a completed school application must be submitted along with:
 - 1) A detailed floor plan;
 - 2) A copy of a lease showing at least a 1 year commitment to the use of the site or certification of ownership of the proposed site;
 - 3) A signed fire inspection report from the local fire authority indicating that the proposed site meets the fire code requirements for use of the site as an off-site classroom giving approval for use of the site as an off-site classroom;
 - 4) A statement from the school owner outlining the purpose of the classroom location;
 - 5) A listing of any and all additional teachers who will be added to the teaching staff as a result of the expansion;
 - 6) A financial statement prepared by a public accountant licensed by the Department pursuant to the Illinois Public Accounting Act and who is not an employee of the school, indicating sufficient current finances exist to operate the school for at least 3 months; and a financial statement of assets, liabilities and net worth which shall reflect the owner's assets and debts inclusive of debt recorded or to be incurred as a result of the expansion.
 - 7) The required fee set forth in Section 1175.100.
 - 8) An off-site classroom location is defined as a separate classroom that is located within 5 miles of the main school site and which serves to provide adequate space in which to train an overflow of students. A clinic may not be operated at an off-site classroom location. A school may establish only one off-site classroom location. All identifying signs and materials must reflect the name of the school.
- c) When an on-site expansion is to accommodate an increased enrollment, a completed school application shall be submitted along with:
- 1) A detailed floor plan;
 - 2) A statement from the school owner outlining the purpose of the expansion;
 - 3) A listing of any and all additional teachers who will be added to the teaching staff as a result of the expansion; and
 - 4) The required inspection fee set forth in Section 1175.100.

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

- d) Upon receipt of the above items, the Department shall inspect the temporary site to determine compliance with this Part. The site shall not be used until such inspection has occurred and the owner has received written notification of approval from the Department. Approval will be granted if all of the requirements of Subpart H have been met.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.870 Discontinuance of Program

- a) The Department shall receive a minimum of 30 days written notice of a school's intent to discontinue its program. The notice shall include the exact location where the student records are to be stored.
- b) The school owner shall notify the Department in writing of the actual closing date of the school.
- c) All school records shall be maintained after the school closes.
- d) The school must continue to meet the requirements of the Act and this Part until the actual closing date.
- e) The school must submit an official transcript of all hours earned while enrolled in the program.
- f) All refunds shall be given to students in accordance with the refund provisions set forth in the enrollment agreement student contract.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.875 Withdrawal of Approval

- a) The Department may withdraw, suspend or place on probation, pursuant to 68 Ill. Adm. Code 110, the approval of a school of cosmetology or esthetics school when the quality of the program has been affected by any of the following causes:
 - 1) Gross or repeated violations of any provisions of the Act or this Part;
 - 2) Fraud or dishonesty in furnishing transcripts or documentation for evaluation of the school;
 - 3) Failure to meet the criteria for school approval in Section 1175.800;
 - 4) Failure to administer the final examination as specified in this Part;
 - 5) Failure to maintain final examination grades for each student and a master of the examination administered by the school as specified in this Part;
 - 6) Fraud or dishonesty in providing transcripts to students who have fulfilled all obligations under Section 1175.815r.

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

(Source: Repealed at 20 Ill. Reg. _____, effective _____)

Section 1175.905 Department Supervision (Repealed)

- at The Board shall have the authority to suspend or revoke the license of any person who is found to be incompetent to practice the profession or occupation for which the license was issued.
- b) Any person who is found to be incompetent to practice the profession or occupation for which the license was issued shall be subject to the provisions of the Act relating to the suspension or revocation of the license.
- c) The Board shall have the authority to suspend or revoke the license of any person who is found to be incompetent to practice the profession or occupation for which the license was issued.
- d) Any person who is found to be incompetent to practice the profession or occupation for which the license was issued shall be subject to the provisions of the Act relating to the suspension or revocation of the license.

(Source: Repealed at 20 Ill. Reg. _____, effective _____)

Section 1175.910 Credit Hours (Repealed)

- at Any person who is found to be incompetent to practice the profession or occupation for which the license was issued shall be subject to the provisions of the Act relating to the suspension or revocation of the license.
- b) Any person who is found to be incompetent to practice the profession or occupation for which the license was issued shall be subject to the provisions of the Act relating to the suspension or revocation of the license.
- c) Any person who is found to be incompetent to practice the profession or occupation for which the license was issued shall be subject to the provisions of the Act relating to the suspension or revocation of the license.
- d) Any person who is found to be incompetent to practice the profession or occupation for which the license was issued shall be subject to the provisions of the Act relating to the suspension or revocation of the license.

(Source: Repealed at 20 Ill. Reg. _____, effective _____)

Section 1175.915 Waiver of Continuing Education Requirements (Repealed)

- at Any person who is found to be incompetent to practice the profession or occupation for which the license was issued shall be subject to the provisions of the Act relating to the suspension or revocation of the license.
- b) Any person who is found to be incompetent to practice the profession or occupation for which the license was issued shall be subject to the provisions of the Act relating to the suspension or revocation of the license.

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

- at Any person who is found to be incompetent to practice the profession or occupation for which the license was issued shall be subject to the provisions of the Act relating to the suspension or revocation of the license.
- b) Any person who is found to be incompetent to practice the profession or occupation for which the license was issued shall be subject to the provisions of the Act relating to the suspension or revocation of the license.
- c) Any person who is found to be incompetent to practice the profession or occupation for which the license was issued shall be subject to the provisions of the Act relating to the suspension or revocation of the license.
- d) Any person who is found to be incompetent to practice the profession or occupation for which the license was issued shall be subject to the provisions of the Act relating to the suspension or revocation of the license.

(Source: Repealed at 20 Ill. Reg. _____, effective _____)

SUPPORT J: NAIL TECHNOLOGY

Section 1175.1000 Application for License under Sections 3C-4 and 3C-5 of the Act (Grandfather) (Repealed)

- at Any person who is found to be incompetent to practice the profession or occupation for which the license was issued shall be subject to the provisions of the Act relating to the suspension or revocation of the license.
- b) Any person who is found to be incompetent to practice the profession or occupation for which the license was issued shall be subject to the provisions of the Act relating to the suspension or revocation of the license.

(Source: Repealed at 20 Ill. Reg. _____, effective _____)

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

1175.1105-of-a-vocational-technical-school

A) Fail the experience for purposes of this Section--is at least 10 hours or more per week; and part-time experience is not less than 10 hours per week;

B) Practical experience as a nail technician for purposes of this Section is gained when the compensation of a person performing nail services is determined to be substantially equal to or in any way lesser for the same or another person for the same or similar services performed by the person.

2) An applicant on form approved by the Department, signed by an employer, shall be submitted to the applicant's nail technician practical work experience certificate. The certificate shall be submitted to the Department for review and approval. The certificate shall be submitted to the Department for review and approval.

3) Certification of completion of the eighth grade--elementary school or its equivalent;

4) A complete work history; and

5) If the applicant is licensed in another State, the applicant shall submit a transcript of the applicant's record in that State, in which the applicant previously practiced and is currently licensed.

B) For Nail Technician Teacher

1) An applicant on forms provided by the Department, signed by an employer, shall be submitted to the applicant's work history certificate. The certificate shall be submitted to the Department for review and approval. The certificate shall be submitted to the Department for review and approval.

2) An applicant on form approved by the Department, signed by an employer, shall be submitted to the applicant's nail technician practical work experience certificate. The certificate shall be submitted to the Department for review and approval.

3) An applicant on form approved by the Department, signed by an employer, shall be submitted to the applicant's nail technician practical work experience certificate. The certificate shall be submitted to the Department for review and approval.

4) An applicant on form approved by the Department, signed by an employer, shall be submitted to the applicant's nail technician practical work experience certificate. The certificate shall be submitted to the Department for review and approval.

5) An applicant on form approved by the Department, signed by an employer, shall be submitted to the applicant's nail technician practical work experience certificate. The certificate shall be submitted to the Department for review and approval.

(Source: Repealed at 20 Ill. Reg. _____, effective _____)

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

Section 1175.1001 Examination - Nail Technician

a) Eligibility. Each applicant must meet the following requirements:

- 1) Be at least 18 years of age.
- 2) Pursuant to Section 1175.1002 of the Act:
 - A) Be a graduate of a high school or its equivalent; and
 - B) Be a graduate of a high school or its equivalent; and
- 3) Be a graduate of a high school or its equivalent; and
- 4) Be a graduate of a high school or its equivalent; and

b) Application. Each applicant shall file an application for examination, on forms provided by the Department, at least 45 days prior to an examination date. The application shall include:

- 1) An official transcript showing successful completion of the required training outlined in subsection (a)(2)(B) above and a passing grade on the final examination administered by the school as set forth in Section 1175.1145; or, for those taking the Department examination after 2 unsuccessful attempts, official transcripts showing successful completion of remedial training (60 hour refresher course) as required by Section 1175.1002 of the Act;
- 2) Proof of any name change (i.e., marriage license, divorce decree, affidavit or court order) if a different name appears on supporting documents;
- 3) A complete work history;

4) The required fee set forth in Section 1175.1002 of the Act pursuant to Section 1175.1002 of the Act.

c) An applicant who has graduated from a nail technology program in another jurisdiction with less than 350 hours may accrue a maximum of 50 hours of nail technology training from a licensed Illinois Cosmetology school.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.1005 Examination - Nail Technology Teacher

a) Eligibility. Each applicant must meet the following requirements pursuant to Section 1175.1005 of the Act prior to filing an application for the nail technology teacher examination:

- 1) Be at least 18 years of age;
- 2) Have not graduated from high school or its equivalent;
- 3) Hold a valid current license certificate of registration as a

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

applicant will receive with the notification of successful completion of the examination;

- 2) Proof of name change (i.e., marriage license, divorce decree, affidavit or court order) if different from that shown on pre-printed license application; and
- 3) The required fee as set forth in Section 1175.100(a)(6).

b) Any cosmetology teacher ~~cosmetology-teachers~~ licensed in Illinois who is applying for a nail technology teacher's license shall not be required to take the examination set forth in Section 1175.1005. An application shall be submitted to the Department that which includes:

- 1) A copy of their current cosmetology and cosmetology teacher license;
- 2) A complete work history since completion of teacher training; and
- 3) The required fee set forth in Section 1175.100.

c) Nothing in this part requires a licensed cosmetologist or licensed cosmetology teacher to obtain a license to practice or to teach nail technology.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.1020 Endorsement

a) An applicant currently licensed as a nail technician in another jurisdiction and who is seeking licensure in Illinois by endorsement shall file an application, on forms provided by the Department, which shall include:

- 1) A certification from the jurisdiction of original licensure stating:

At the time of ~~the~~ nail technology teacher's license received:
 A) A brief description of any licensure examination taken and the scores received; and
 B) Whether the applicant's file contains any record of disciplinary actions taken or pending.

- 2) Official transcripts from the school(s) attended by the applicant showing the courses completed and the hours received with the school seal affixed;
- 3) Certification of current licensure if other than original licensure;
- 4) A complete work history showing all employment since graduation from nail technology school to present;
- 5) Proof of any name change (i.e., marriage license, divorce decree, affidavit or court order) if name is other than that shown on attached documents;
- 6) The required fee set forth in Section 1175.100(a)(6); and
- 7) A copy of the licensing Act applicable on the date of original licensure showing requirements for licensure if requested by the Department in the application review. The Department shall make

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

such a request if the application materials are incomplete.

- b) An applicant who has graduated from a nail technology program in another jurisdiction with less than 150 hours may acquire a maximum of 50 hours of nail technology training from a licensed Illinois cosmetology school.

c) An applicant currently licensed as a nail technology teacher in another jurisdiction and who is seeking licensure in Illinois by endorsement shall file an application, on forms provided by the Department, which shall include:

- 1) A certification from the jurisdiction of original licensure stating:

At the time of ~~the~~ nail technology teacher's license received:
 A) A brief description of any licensure examination taken and the scores received; and
 B) Whether the applicant's file contains any record of disciplinary actions taken or pending.

- 2) Official transcripts from the school(s) attended by the applicant showing the courses completed and the hours received with the school seal affixed;
- 3) Certification of current licensure if other than original licensure;
- 4) Two Verification of Employment forms submitted by the applicant who completed at least 500 hours of teacher training but less than 1500 hours. A nail technology teacher applicant shall submit a course verification of 2 years of lawful practice as a nail technology cosmetologist to be submitted by the
- 5) Two Verification of Employment forms shall be submitted by the applicant for a nail technology teacher license who is applying on the basis of 3 years of lawful practice as a nail technology teacher in another jurisdiction.

6) A complete work history showing all employment since graduation from basic nail technology school to present;

- 7) Proof of name change (i.e., marriage license, divorce decree, affidavit or court order) if name is other than that shown on any of the documents submitted;
- 7) A copy of the licensing Act applicable on the date of original licensure showing requirements for licensure if requested by the Department in the application review. The Department shall make

such a request if the application materials are incomplete.

c) An applicant for licensure as a nail technician who is licensed in another jurisdiction shall be given 75 hours of educational credit for every 12 months of period during which he/she was lawfully employed as a nail technician. The applicant shall obtain credit for work experience. The applicant shall submit verification of employment in support of the work

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

experience on forms provided by the Department. A certification of licensure from the jurisdiction in which the lawful practice is claimed must also be submitted.

- d) An applicant applying for licensure as a nail technician or nail technology teacher on the basis of endorsement who has previously failed the licensing examination in Illinois shall not be approved for licensure on the basis of endorsement unless and until he/she provides verification of successful completion of a substantially equivalent licensure examination and fulfills the requirements set forth in Section 1175.1025(c). The successful completion of the substantially equivalent examination and fulfillment of applicable regulation requirements must occur after the most recently failed examination attempt in Illinois.

(Source: Amended at 20 Ill. Reg. _____, effective _____.)

Section 1175.1025 Renewals

- a) The first renewal period for licenses registration issued under Article 3(c) of the Act shall be October 31, 1996. Every nail technician, nail technology teacher and nail technology school license shall expire on October 31 of each even numbered year.

- b) The holder of a license certificate of registration may renew the license certificate during the month preceding its expiration date.

- c) Applicants for renewal as nail technicians shall:

- 1) Return a completed renewal application.
- 2) Certify on the renewal application that they have successfully completed a minimum of 10 hours of continuing education from a nail technology continuing education sponsor approved by the Department in accordance with Section 1175.1020 of this Part, within the 24 months prior to the expiration date of this Part.

- A) For the October 31, 1996 renewal, each individual who applies for renewal of a nail technician license, other than

- first time renewal applicants, shall be required to complete 10 hours of continuing education in accordance with Subpart L.

- B) A renewal applicant is not required to comply with continuing education requirements for the first renewal

- C) The Department may require additional evidence demonstrating compliance with the CE requirements (i.e., certificate of attendance or certificate of completion). It is the responsibility of each renewal applicant to retain or otherwise produce evidence of such compliance. Such evidence shall be required in the context of the Department's random audit.

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

- B) Nail technicians who take this nail technology teacher licensure may elect to enter the continuing education program from a nail technology teacher continuing education sponsor approved by the Department in accordance with Section 1175.1020 of this Part, within the 24 months prior to the expiration date of this Part.

- 3) Submit the required fee set forth in Section 1175.100(a)(3).

- d) Applicants for renewal as nail technology teachers shall:

- 1) Return a completed renewal application.
- 2) Certify on the renewal application that they have successfully completed a minimum of 20 hours of continuing education from a nail technology teacher continuing education sponsor approved by the Department, in accordance with Section 1175.1020 of this Part, within the 2 years prior to the expiration date of this Part.

- A) For the October 31, 1996 renewal, each individual who applies for renewal of a nail technology teacher license, other than first time renewal applicants, shall be required to complete 20 hours of continuing education in accordance with Subpart L. Ten (10) of the hours shall be in teaching methodology, educational psychology, and classroom management or other subjects related to teaching.

- B) A renewal applicant is not required to comply with continuing education requirements for the first renewal after issuance of the original license.

- C) The Department may require additional evidence demonstrating compliance with the continuing education requirements (i.e., certificate of attendance or certificate of completion). It is the responsibility of each renewal applicant to retain or otherwise produce evidence of such compliance. Such evidence shall be required in the context of the Department's random audit.

- 3) Submit the required fee set forth in Section 1175.100(a)(3).

- e) It is the responsibility of each licensee to notify the Department of any change in address. Failure to notify the Department shall not constitute an excuse for failure to renew a license.

- f) Practicing or operating on a license that which has expired shall be considered unlicensed activity and shall be grounds for discipline pursuant to Section 1-2 of the Act.

(Source: Amended at 20 Ill. Reg. _____, effective _____.)

Section 1175.1030 Restoration - Nail Technician

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

- a) A person applying for restoration of a nail technician license that which has been expired for less than 5 years shall submit an application on forms provided by the Department; and
- 1) Pay the required fee as set forth in Section 1175.100(a)(1); and
- 2) Provide evidence of successful completion of 10 hours of continuing education in accordance with Section 1175.1200(c).
- b) A person applying for restoration of a nail technician license that which has been expired for 5 years or more shall submit an application on forms provided by the Department along with:
- 1) Verification of employment, attesting to lawful practice in another jurisdiction within the 5 years preceding application for restoration;
- 2) Certification from the appropriate licensing authority in the jurisdiction in which lawful practice is claimed. An applicant for restoration who has not maintained lawful practice in another jurisdiction shall submit official transcripts showing successful completion of a 250 hour nail technology refresher course from an approved cosmetology school or nail technology school of Pass the Teacher examination; and
- 3) Pass the examination set forth in Section 1175.100(a)(4). An applicant who completes this refresher course shall not also be required to complete 10 hours of continuing education since the Illinois license lapsed;
- 4) A completed Restoration Questionnaire;
- 5) Evidence of successful completion of 10 hours of continuing education earned within the 2 years immediately preceding restoration; and
- 6) The required fee as set forth in Section 1175.100(a)(4).
- c) If restoring after active military service, the applicant shall submit a copy of his/her Honorable Discharge form (DD-214) and the current fee. An applicant takes and fails the examination, the license will not be reinstated until such time as he/she has successfully completed the examination.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.1035 Restoration - Nail Technology Teacher

- a) A person applying for restoration of a nail technology teacher license that which has been expired for less than 5 years shall submit an application on forms provided by the Department; and
- 1) Pay the required fee as set forth in Section 1175.100(a)(4) of the Act; and
- 2) Provide evidence of successful completion of 20 hours of continuing education in accordance with Sections 1175.1200 and

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

- 1175.1210 of this Part Section 1175.1200(d).
- b) A person applying for restoration of a nail technology teacher license that which has been expired for 5 years or more shall submit an application on forms provided by the Department along with:
- 1) Verification of employment, attesting to lawful nail technology teaching practice in another jurisdiction within the 5 years preceding application for restoration;
- 2) Certification from the appropriate licensing authority in the jurisdiction in which lawful practice is claimed. An applicant for restoration who has not maintained lawful practice in another jurisdiction shall submit official transcripts showing successful completion of a 250 hour nail technology refresher course from an approved cosmetology school or nail technology school of Pass the Teacher examination; and
- 3) Pass the examination set forth in Section 1175.100(a)(4). An applicant who completes this refresher course shall not also be required to complete 10 hours of continuing education;
- 4) A complete work history showing all employment since the Illinois license lapsed;
- 5) Evidence of successful completion of 10 hours of continuing education earned within the 2 years immediately preceding restoration; and
- 6) The required fee as set forth in Section 1175.100(a)(4).
- c) If restoring after active military service, the applicant shall submit a copy of his/her Honorable Discharge form (DD-214) and the current fee. An applicant takes and fails the examination, the license will not be reinstated until such time as he/she has successfully completed the examination.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

SUBPART K: NAIL TECHNOLOGY SCHOOLS

Section 1175.1100 Nail Technology School Application

- a) An applicant for a nail technology school license shall submit a completed application to the Department with the following information and documentation:
- 1) A detailed floor plan consistent with requirements of Section 1175.1110(a)(1) of this Part;
- 2) A copy of a lease showing at least 1 one year commitment to the use of the school site or certification of ownership of the proposed school site;
- 3) If the owner is a corporation, a copy of the Articles of

DEPARTMENT OF PROFESSIONAL REGULATION

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

NOTICE OF PROPOSED AMENDMENT (S)

Incorporation:

- 4) If the owner is a partnership, a listing of all partners and their current addresses;
 - 5) A signed fire inspection report from the local fire authority within 6 months of the application giving approval for use of the site as a school;
 - 6) A certified financial statement prepared by a licensed public accountant who is not an employee of the school, indicating sufficient current financial resources to operate the school for at least 3 months: A completed financial statement of assets, liabilities and net worth showing the owners' ability to operate the school - for at least 3 months as indicated by the owner's signature certifying the information is true.
 - 7) A copy of the official enrollment agreement student-contract to be used by the school that when shall be consistent with the requirements of Section 1157.11 of this Part;
 - 8) A listing of all mail technology and cosmetology teachers, including their teacher license numbers, who will be in the school's employ;⁷
 - 9) A copy of the curriculum that will be followed;
 - 10) A copy of the school's official transcript; and
 - 11) The required fee as set forth in Section 1157.11(b)(1).
- b) When the above items are submitted in accordance with the school premises prior to school approval Department shall inspect with this Subpart. School operations shall not begin until the school in any way solicit student enrollment until the school has received written notice of approval from the Department. Approval shall be granted if all the requirements of Subpart X have been met.
- c) Nail technology schools shall only offer instruction in nail technology and nail technology teacher education.

Source: Amended at 20 Ill. Reg. _____, effective _____.

Section 1175.1105 Cosmetology Schools Approved to Teach Nail Technology

- 1) Provide at least 170 square feet of space to accommodate 1 fire workstation, 2 square exceeds 20 on the clinic floor at any time, an additional 30 square feet is required for each additional work station required by subsection 9(d)(1)(A) below.
- 2) For treatment areas, the school must provide an additional 40 square feet which includes a vent, water, and water heater. The use of this space shall not reduce the square footage for the conduct of an approved cosmetology school below the minimum requirements set forth in this Part.

Department, which shall include:

- A) A detailed floor plan of the fire inspection report from the fire inspection authority within six months of the application giving approval for use of the site as a school;
 - C) A financial statement prepared by a public accountant licensed by the Department pursuant to the Illinois Public Accounting Act and who is not an employee of the school, indicating sufficient current finances exist to defray the school for at least 3 months; A combined statement of assets, liabilities, net assets and net worth showing the owner's ability to defray the school for at least 3 months as evidenced by the above-mentioned financial statement; the information is true;
 - D) A copy of the enrollment agreement student's contract to be used by the school;
 - E) A copy of the nail technology curriculum;
 - F) A listing of all nail technology and cosmetology teachers, including their teacher license numbers, who will be in the school's employ;
 - G) A copy of the school's official transcript; and
 - H) The required fee set forth in Section 1175.100(b)(1).
- 3) When the above items have been received, the Department shall inspect the school premises, prior to approving the school, to determine compliance.
- 4) In addition, the school shall meet the following:
- A) Designations of the patron work station, including patron students enrolled in the school;
 - B) Every work station shall have a disinfectant tray and disinfectant solution.
 - C) Provide a nail technology curriculum in accordance with Sections 1175.1135 and 1175.1140.
- b) Cosmetology schools approved to teach nail technology shall be required to comply with all provisions in this Part except Section 1175.110(a) and (b).

(Source: Answered at 20 Ill. Reg. _____, effective _____)

Section 1175.1110 Physical Site Requirements

- a) Space Requirements:
 - 1) A nail school shall have a minimum of 500 square feet of work space for a maximum of 10 students. An additional 30 square feet is required for each additional work station if attendance exceeds 10 students in the clinic area at any given time.
 - 2) Work space shall include the dispensary area but shall not

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

include classrooms, restrooms, halls, checkrooms, locker space, storage area, student lounge, cloak space, public waiting area or other school facilities for administration.

3) The school shall be partitioned to provide for the following areas:

- A) Dispensary area
- B) Classrooms
- C) Separate restrooms for males and females
- D) Cloak space
- E) Public Awaiting waiting area separated from the work area
- F) Student Awaiting lounge area
- G) Storage space
- H) Locker space
- I) Other areas for school administration
- J) Work stations
- K) All areas of the school shall be ventilated and lighted.

b) Equipment requirements - All equipment shall be in working condition and sufficient for the number of students enrolled. Minimum requirements for school equipment are as follows:

1) An antiseptic hand disinfectant

2) A school sign designating the name of the school;

3) A time clock or other equipment necessary for verification of attendance and hours worked;

4) A minimum of 5 patron work stations. For enrollment over 10, 1 the patron work station per 2 students;

5) Every patron work station shall include a patron chair, manufacturing table and student chair for every 2 students enrolled;

6) Every patron work station shall have a disinfectant tray and disinfectant solution;

7) Trays for nail technology supplies;

8) Repairs for patrons and students;

9) Eye guards, protective protective garments and masks should be available for non-venterby persons and students upon request;

10) First aid kit; and

11) First aid kit; and

12) First aid kit; and

13) First aid kit; and

14) First aid kit; and

15) First aid kit; and

16) First aid kit; and

17) First aid kit; and

18) First aid kit; and

19) First aid kit; and

20) First aid kit; and

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

5) After use on each patron, implements and electrical equipment must be disinfected according to manufacturer's specifications. All other equipment should be washed in water and sanitized before use.

6) Manicuring table coverings must be disposed of or laundered and sanitized after each patron.

7) All products containers shall be kept in clean, closed containers and be applied by sanitary applicators.

8) All nail chemicals must be kept in labeled containers.

9) No owner, manager, teacher or school administrator shall knowingly permit any person suffering from a serious communicable disease as defined in 7 Ill. Adm. Code 690 to work on the school or knowingly permit a student to serve a patron with a serious communicable disease.

10) No animals, except seeing eye/hearing dogs, shall be permitted on school premises.

11) The floors, walls and furniture shall be kept clean at all times.

12) An adequate supply of hot and cold running water shall be available for school operation.

13) Textbooks Teaching Materials - Textbooks shall be provided for each student in attendance.

d) Teachers - The student/teacher ratio during clinical instruction shall not exceed a 10 to 1 ratio.

e) (Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.1115 Enrollment Agreements and Refund Policies Student-Contracts

a) All licensed nail technology schools shall have enrollment agreements with the students of Section 1175.1115 of the Act.

b) All licensed nail technology schools shall implement refund policies pursuant to Section 1175.1115 of the Act and this part.

1) When enrollment agreement is given after the fifth day following enrollment, the completion of the student's first day of class attendance shall be the basis for the refund of any books or materials which have been provided by the school and retained by the student. Section 1175.1115 of the Act shall be the basis for the refund of any books or materials which have been provided by the school and retained by the student.

2) For students who enroll in and begin classes, tuition adjustment shall be made in the following manner:

PERCENTAGE TIME TO TOTAL AMOUNT OF TOTAL

TIME OF COURSE TUITION OWED TO THE SCHOOL

0.01% to 1.9%

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

E) Manicures;

F) Pedicures;

G) Hand, Arm and Foot Massage;

H) Other procedures as they relate to nail technology; and
I) Product knowledge as it relates to nail technology.

- 4) Business Practices - 30 hours of classroom instruction shall be provided in the following subject areas:
- Act as Barber, Cosmetologist, Esthetician, and Nail Technology Technician;
 - Management;
 - OSHA standards relating to chemical use; and
 - Workers' Compensation Act.

- 5) Internship Program is an optional part of the curriculum. Each licensed nail technology school may choose to set up an internship program and shall follow the guidelines set forth below.

A) An internship program:
i) May be substituted for 35 hours of the 350 hours set forth in subsection (a) of this Section.

ii) May be part of the curriculum of a licensed nail technology school and shall be an organized preplanned training program designed to allow a student to learn nail technology under the direct supervision of a licensed cosmetologist or licensed nail technician in a registered salon.

B) A student in the internship program:

i) Must be certain an internship is only after completing 175 hours of classroom instruction and must be at least 18 years of age.
ii) A school may set the student's schedule and set other standards that a student must meet to participate in the internship program.

iii) May not spend more than 35 hours in an internship program.
iv) May not be paid while participating in the internship program as it is a part of the nail technology curriculum of the school.

v) May work a maximum of 8 hours a day and shall be required to spend 1 day a week at the school.

vi) Shall be under the direct on-site supervision of a licensed cosmetologist or licensed nail technician. Only a student shall be supervised by a licensed cosmetologist or licensed nail technician.

C) A licensed nail technology school shall state clearly in the student contract that the school offers an internship program.

D) The licensed nail technology school shall enter into a contract with the student. The registered salons and licensed cosmetologist or licensed nail technician which contains

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

all of the provisions set forth in this Section and any other requirements of the internship established by the school. The contract shall be signed by the student, the school, and the licensed cosmetologist or licensed nail technician. Any part of the contract may terminate the contract at any point.

- b) A nail technology student is not permitted to practice on the public until he/she has successfully completed the 35 hours of general theory and practical application specified in subsection (a)(1) above.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.1140 Curriculum Requirements - Nail Technology Teacher

- a) An approved school that wish intends to provide teacher training must utilize a teacher curriculum which includes a minimum of 225 hours as follows:

1) 125 450 hours of Post-Graduate School Training that which includes all subjects in the basic nail technology curriculum in Section 1175.1135, including theory and practice. Presentation of material must include the concepts that are intended to be taught and the skills to be acquired during the various phases of basic education.

2) 150 hours of advanced nail technology training as defined in Section 1175.1135.1140.

3) 20 hours of Educational Psychology which shall include, but not be limited to, topics in educational objectives, student characteristics and development, the learning process and an evaluation of learning that which relates to teaching. This course shall be presented by a person qualified to teach educational psychology at the college level or a licensed cosmetologist or nail technology teacher who has completed a course in educational psychology. The course shall be presented on behalf of an institution of higher learning or a school of cosmetology or nail technology teacher students who have completed a course in Educational Psychology at an accredited college or university within the five-year university preceding admission to the nail technology program.

4) 40 hours of Teaching Methods (Theory) that which shall include, but not be limited to, topics in individual differences in learning, lesson planning and design, lesson delivery, assessment of learning performance, classroom management, student motivation and classroom climate. This course shall be presented by a person qualified to instruct in Teaching Methods - Secondary Level at a college or university or a licensed cosmetologist or nail technology teacher who has completed a course of instruction that which included topics set forth above or an equivalent

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

examination:

- 1) As a result of a complaint received;
 - 2) For random sampling;
 - 3) To collect data; and/or
 - 4) When the failure rate on the licensure examination for school teachers is greater than 25%.
- g) The Department shall maintain records of each school's graduate failure rate on the licensing examination. These records shall reflect only first examination attempts for each graduate. When the examination results shall not trend toward the failure rate on the examination examination if the student transfers to the school from a closed school with one-half or more of the required hours for graduation, the Department shall review the records on an annual basis to identify those graduates which have an average annual failure rate greater than 25%. An average annual failure rate shall commence one year from the effective date of this Part.
- h) The school shall maintain records of the final examination for a period of no less than 5 years in the manner prescribed in Section 1175.1121(b) of this Part. These records shall include:
- 1) A copy of the final examination administered; and
 - 2) Each student's examination grades.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.1150 Change of Ownership

- a) When the ownership of an approved school changes, the new owner shall, within 5 working days from the date title to the school is transferred, mail to the Department the following:
 - 1) An affidavit stating that the contract is contingent on a certificate being issued to the new owner. If this is not provided, the school must close on the date of the transfer and remain closed until a new certificate is issued;
 - 2) A signed and completed school application;
 - 3) A floor plan if any expansion is to be done by the new owner;
 - 4) A copy of a lease agreement showing at least a 1 one year commitment or certification of school site ownership;
 - 5) A copy of the student contract that will be utilized by the new owner;
 - 6) If the owner is a corporation, a copy of the Articles of Incorporation;
 - 7) If the owner is a partnership, a listing of all partners and the percentage ownership of each partner;
 - 8) A signed inspection report by the local fire inspection authority within 5 months of application approving the school site; and
 - 9) A certified financial statement prepared by a licensed public accountant who is not an employee of the school, indicating

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

sufficient current finances exist to operate the school for at least 3 months. A complete financial statement of assets, liabilities and net worth showing the new owner's ability to operate the school for 3 months as evidenced by the owner's signature certifying that the information is true.

- 10) If a name change is to also occur, the new owner must submit a sample of the new school seal and a photo of the new school sign;
- 11) The required fee set forth in Section 1175.1001(b)(2).
- b) Once the above items have been received, the Department shall conduct an inspection prior to approval of the change of ownership. Approval will be granted if all of the requirements of Subpart K have been met.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.1155 Change of Location

- a) When the location of an approved school is changed, the school owner shall submit to the Department the following:

- 1) Written notice to the Department at least 30 days in advance of the school site change;
 - 2) A signed and completed school application;
 - 3) A floor plan drawn to a scale specified on the drawing;
 - 4) A copy of a lease agreement showing at least a one year commitment or certification of ownership of the school site;
 - 5) An inspection report signed by the local fire inspection authority within 5 months of application approving the site; and
 - 6) The required fee set forth in Section 1175.1001(b)(3).
- b) Once the above items have been received, the Department shall inspect the premises to determine compliance with this Part. School operations shall not begin at the new location nor may the school in anyway solicit student enrollment until the owner has received written approval from the Department. Approval will be granted if all requirements of Subpart K have been met.
- c) If the change of location is due to natural destruction of the original premises, a temporary site may be used to teach emergency classes only.
- 1) The temporary site must be inspected prior to its use and must possess light and ventilation, tables and chairs for the number of students in a classroom, and must be clean.
 - 2) The temporary site may be used for a period of 2 months. The 2 month period can be extended for good cause. Good cause includes, but is not limited to, unexpected delays in construction, delays in lease arrangements or delays in equipment delivery.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

Section 1175.1160 Change of Name

When changing the name of a licensed school, a written request for a name change, along with the required fee specified in Section 1175.100(b)(1), shall be mailed 30 days in advance of any name change. The Department shall then issue a new certificate. At the time of the change in name, all identifying signs and materials must be changed to conform with the new name on the school license.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.1165 Expansion

- a) Written notice shall be given to the Department 30 days prior to any expansion of an approved school.
- b) When the expansion will result in an off-site classroom location, a completed application must be submitted along with:

- 1) A detailed floor plan drawn to a scale specified on the drawing;
- 2) A copy of a lease showing at least a one year commitment to the use of the site or certification of ownership of the proposed site;
- 3) A signed fire inspection report from the local fire authority within 6 months of application giving approval for use of the site as a classroom location;
- 4) A statement from the school owner outlining the purpose of the classroom location;
- 5) A listing of any and all additional teachers who will be added to the teaching staff as a result of the expansion;
- 6) A financial statement prepared by a public accountant licensed by the Department pursuant to the Illinois Public Accounting Act and shall not in purpose of the school, indicating sufficient current finances exist to operate the school for at least 3 months; and A financial statement of assets, liabilities and net worth which must reflect the assets, liabilities and debts inclusive of the school and shall be included as a result of the expansion.
- 7) The required expansion is defined as a separate classroom located within 5 miles of the school in which the school serves to provide adequate space in which to train an overflow of students. A school may not be operated at an off-site classroom location. A school may establish only one off-site classroom location. All identifying signs and materials must reflect the name of the main school. When an on-site expansion is to accommodate an increased enrollment, a completed application shall be submitted along with:
 - 1) A detailed floor plan drawn to a scale specified on the drawing;

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

- 2) A statement from the school owner outlining the purpose of expansion;
- 3) A listing of any and all additional teachers who will be added to the teaching staff as a result of the expansion; and
- 4) The required inspection fee as set forth in Section 1175.100(b)(1).
- d) Upon receipt of the above items, the Department shall inspect the expansion site to determine compliance with this part. The site shall be inspected until the inspection has occurred and the owner has received written notification of approval from the Department. Approval will be granted if all of the requirements of Subpart K have been met.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.1170 Discontinuance of Program

- a) The Department shall receive a minimum of 30 days written notice of a school's intent to discontinue its program. The notice shall include the exact location where the student records are to be stored.
- b) The school owner shall notify the Department in writing of the actual closing date of the school.
- c) All school records shall be maintained after the school closes.
- d) The school must continue to meet the requirements of the Act and this part until the closing date.
- e) Each student enrolled at the time of discontinuation must be provided an official transcript of all hours earned while enrolled in the program.
- f) All refunds shall be given to students in accordance with the refund provisions set forth in the enrollment agreement student contract.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.1175 Withdrawal of Approval

- a) The Department may withdraw, suspend or place on probation, pursuant to 68 Ill. Adm. Code 110, the approval of a school of cosmetology or nail technology school when the quality of the program has been affected by, but not limited to, any of the following causes:
 - 1) Gross or repeated violations of any provisions of the Act or this part;
 - 2) Fraud or dishonesty in furnishing transcripts or documentation for evaluation of the school;
 - 3) Failure to meet the criteria for school approval in Section 1175.1100;
 - 4) Failure to administer the final examination as specified in this

DEPARTMENT OF PROFESSIONAL REGULATION

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

NOTICE OF PROPOSED AMENDMENT(S)

Part:

5) Failure to maintain final examination grades for each student and as a master of the examination administered as specified in this Part;

6) Fraud or dishonesty in providing transcripts to students who have fulfilled all obligations under Section 1175.1115;

7) Failure to provide transcripts to students; or

8) A finding by the U.S. Office of Education or Illinois Student Assistance Commission that a school has misappropriated or misused grant or loan monies or has aided in obtaining such monies by providing fraudulent or untruthful information; or

9) Any other violation of the Act or this Part.

b) Performance Record on Licensing Examination

1) When a school's graduates have a 75% or greater failure rate on the licensing examination, Department approval of a school shall be reviewed pursuant to Section 1175.1100.

2) The performance record of a school's graduates on the licensing examination as compared with the statewide performance record shall be considered by the Department when reviewing Department approval of a school's license.

3) The Department will give written notice and a hearing pursuant to 68 Ill. Adm. Code 1110 when Department approval of a school is being reviewed.

(Source: Amended at 20 Ill. Reg. _____, effective _____.)

SUBPART G: CONTINUING EDUCATION -
NAIL TECHNICIAN/NAIL TECHNOLOGY TEACHER

Section 1175.1200 Sponsor Approval

a) Sponsor, as used in this Section, shall mean a college or university, technical school, community college, or other educational institution, or a national or international organization, or a government agency offering continuing education (CE) programs, or an association or organization that has been approved and authorized by the Department to coordinate and present continuing education CE courses or programs for cosmetologists, cosmetology teachers, estheticians, and nail technicians.

b) A nail technician continuing education sponsor application shall be filed with the Department to be approved as a nail technician continuing education sponsor. The application shall include: A-nail technology--research--continuing-education--sponsor--application--shall-be-filed-with-the-department-to-be-approved-as-a-nail-technology--research--sponsor--all--sponsors--shall--submit--that--they--will--comply--with--all--sponsor-CE--requirements--set--forth--in--this--subpart

11) A copy of the Certificate of Attendance which shall contain the following information:

- The CE sponsor registration number, name and address;
- Category of CE (cosmetology, nail technician, esthetics);
- Name and license number of the participant;
- Number of hours awarded; and
- Course title and date of course.

12) A 3-hour CE course outline, including evidence of appropriate facilities, instructor qualifications and content of the course.

13) Name and address of the contact person responsible for all recordkeeping.

14) Certification that the sponsor will comply with all sponsor CE requirements set forth in the Subpart.

c) A CE nail-technology sponsor shall provide CE courses and programs that are organized pursuant to formal textbooks and shall contribute directly to a licensee's nail-technician knowledge and ability to perform CE courses must meet the following minimum requirements:

1) A nail-technology course or program shall include as a subject matter--as-a-note--of--the--following

- Esthetics--procedures;
- Chemical--service--procedures;
- Illinois Barber-Cosmetology-Esthetics-and-Nail-Technology Act-and-Rules;
- Workers-compensation-Act-and-
- Advanced-methods-

112) Be All CE programs shall be developed and presented by persons with education, training and/or practical experience in the subject matter to be presented.

113) Include CE programs--must include a student evaluation of both instructor and the course.

114) Specify All CE programs shall specify the course objectives, content, prerequisites, requirements for the CE category, for CE credit, and the number of CE hours to be earned. Such information shall be specified in all promotional materials.

115) Be in the following subject areas for cosmetologists,

- Estheticians and nail technicians;
- Advanced product chemistry and chemical interaction;
- The use of machines and implements;
- Sanitary procedures;
- Hazardous chemicals;
- Exposure limitation;
- Updated use of implements as they relate to applicable services under this Act;
- Advanced knowledge of the anatomy of the skin, scalp, hair and of nails;
- Human relations, communication skills; and

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

1) Management and marketing.

- 5) Be in the following subject areas for cosmetology, esthetic and nail technology: subjects in addition to the areas set forth in subsection (c)(1) of this Section. Cosmetology, esthetic and nail technology teachers are required to complete 10 of the 20 CE hours in these areas:
- 1) Educational technology;
 - 2) Educational technology;
 - 3) Classroom management;
 - 4) Correspondence courses or some study courses shall include an examination and a means of verification that the licensee has successfully completed such course.

- 4) A nail-technology teacher or sponsor shall provide CE courses and programs that are organized, planned, or formal learning which contribute directly to a nail-technology teacher's knowledge and ability to perform his/her duties as a nail technician. A continuing education program or course must meet the following minimum requirements:

- 1) A nail-technology teacher or sponsor shall include as its subject matter one or more of the following:
 - A) Educational Psychology?
 - B) Teaching techniques as they apply to the use of mechanical or electrical apparatus or appliances used in the practice of nail-technology?
 - C) Teaching methods?
 - D) Business methods?
 - E) Classroom management?
 - F) Student evaluation?
 - G) Student evaluation?
 - H) Student evaluation?
 - I) Student evaluation?
 - J) Student evaluation?
 - K) Student evaluation?
 - L) Student evaluation?
 - M) Student evaluation?
 - N) Student evaluation?
 - O) Student evaluation?
 - P) Student evaluation?
 - Q) Student evaluation?
 - R) Student evaluation?
 - S) Student evaluation?
 - T) Student evaluation?
 - U) Student evaluation?
 - V) Student evaluation?
 - W) Student evaluation?
 - X) Student evaluation?
 - Y) Student evaluation?
 - Z) Student evaluation?
- 2) All programs shall be developed and presented by persons with education, training, and/or practical experience in the subject matter to be presented.
- 3) All programs must include a student evaluation of both the instructor and the course.
- 4) All programs shall specify the course objectives, content, prerequisites, requirements, and the number of CE hours to be earned. Such information shall be specified in the CE program's certificate.

1) All sponsors shall verify attendance at each CE course or program. A record of attendance shall be kept for no less than 5 years. Sponsors of the course shall submit a record of completion at the end of the course. The record shall include the following information: name, address, license number, date of each CE course, category of CE (cosmetology, nail technician, esthetic, teacher education), number of hours awarded, course title and date of

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

- COURSE course--title--CE--hours--awarded--date--of--course--name--of--teacher--and--name--of--sponsor
- 1) CE sponsors shall be required to renew their approval every year upon submission of the renewal application and the required fee. The first renewal shall be December 31, 1997.
 - 2) All CE programs given on or after October 1, 1996, must be given by a sponsor who has been approved by the Department to provide continuing education.
 - 3) All sponsors approved by the Department as of December 31, 1995, will be required to submit an application, the required fee and meet the current requirements set forth in this Part and the Act to continue to provide continuing education programs on or after October 1, 1996.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1175.1210 Credit Hours

- 1) An approved CE program hour shall include at a minimum 50 minutes of actual class time, exclusive of time devoted by participants to pre-class or post-class preparation.
- 2) Participants completing courses at a university or college shall receive 15 CE credit hours for each semester hour or 10 CE hours for each quarter hour of school credit awarded.
- 3) A licensee (nail-technician or nail-technology teacher) who serves as an instructor, speaker or discussion leader of an approved course shall be allowed CE credit for actual presentation time. For preparation time, one hour of credit will be awarded for each 2 hours of actual presentation time. Preparation time for repetitious presentations shall be credited no more than 10 hours can be earned under this Section for each year.
- 4) Credit shall be awarded for successful completion of courses taken pursuant to continuing education requirements in another state. Credit hours shall be awarded as stated in subsections (a), (b) and (c) above.
- 5) Renewal applicants may earn a maximum of 50% of the total hours required for each renewal through completion of correspondence courses.
- 6) Continuing Education Earned in Other States. If a licensee has earned CE hours in another state or territory for which he/she will be claiming credit toward full compliance in Illinois, the applicant shall submit an out of state CE approval form along with a \$10 processing fee within 90 days after completion of the course. The Committee shall review and recommend approval or disapproval of this program using the criteria set forth in this Section.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

Section 1175.1215 Waiver of Continuing Education Requirements

- a) Any renewal applicant seeking renewal of a license or certificate without having fully complied with these CE requirements shall file with the Department a renewal application along with the required renewal fee, a statement setting forth the facts concerning such noncompliance, a request for waiver of the CE requirements on the basis of such facts and, if desired, a request for an interview before the Committee. If the Department finds from such statement or any other evidence submitted or upon recommendation of the Committee, that good cause has been shown for granting a waiver of the CE requirements, or any part thereof, the Department shall waive enforcement of such requirements for the renewal period for which the applicant has applied.
- b) Good cause shall be defined as an inability to devote sufficient hours to fulfilling of the CE requirements during the applicable renewal period.
- 1) Full-time service in the armed forces of the United States of America during a substantial part of such period;
- 2) An incapacitating illness documented by a currently licensed physician; or
- 3) Hardship as defined in Section 3-7 of the Act;

A) The licensee resides in a locality where it is demonstrated that the absence of opportunities for such education would interfere with the ability of the licensee to provide services to the public.

B) That to comply with the continuing education requirements would cause a substantial financial hardship on the licensee.

- c) A licensed cosmetologist or cosmetology teacher who has held a license for 10 years and does not regularly work as a cosmetologist or cosmetology teacher for more than 16 hours per week or is at least 72 years of age shall not be required to comply with the continuing education requirements. A request for such waiver shall be filed with the Department, the renewal application shall be given at least 20 days written notice of the date, time and place of such interview by certified mail, return receipt requested.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

SUBPART M: SHOP REGISTRATION

Section 1175.1300 Application for a Barber Shop or Cosmetology, Nail Technician or Esthetic Salon Certificate of Registration

- a) Pursuant to Article III of the Act, all cosmetology, nail technician

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF PROPOSED AMENDMENT(S)

or esthetic salons and barber shops shall obtain a certificate of registration from the Department in order to operate in Illinois. A shop shall file an application with the Department on forms supplied by the Department. The application shall include the following:

- 1) Shop name, street and city address and telephone number;
- 2) Shop owner's name, home address and home telephone number;
- 3) If a partnership, a copy of the partnership agreement and all partners' home addresses and phone numbers; and
- 4) If a corporation, a copy of the articles of incorporation as filed with the Illinois Secretary of State and a list of all corporate officers and managers.

b) A separate certificate of registration is required for each shop location, and a separate application shall be submitted to the Department.

c) Change of location. All registered shops shall notify the Department of any change of address. The certificate of registration shall be returned to the Department. A new certificate of registration shall be issued with the new address for a fee of \$20.

d) Change of Ownership. When the ownership of the shop changes, the new owner shall be required to file a new application for a certificate of registration with the Department pursuant to Section 10-5(c) of the Act.

(Source: Added at 20 Ill. Reg. _____, effective _____)

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

1) Heading of the Part: Application Process2) Code Citation: 89 Ill. Adm. Code 110

3) Section Numbers: Proposed Action:
110.10 Amendment
110.15 Amendment

4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code [305
ILCS 9/12-13]

5) Complete Description of the Subjects and Issues Involved: When the rule is promulgated, the use of fax machines was not as prevalent as it is today. Within the office of the business community, today, more people choose to send information to local offices via fax machines. These proposed amendments add to the rule the provision that a facsimile (fax) of an application cannot be accepted. This provision is necessary because the local office receives a completed original application as the date of application. As a result of these proposed amendments, a faxed application will be returned to the applicant or applicant's authorized representative and the original application requested. Companion amendments are also being proposed to 89 Ill. Adm. Code 101.

6) Will these proposed amendments replace emergency amendments currently in effect? No

7) Does this rulemaking contain an automatic repeal date? No

8) Do these proposed amendments contain incorporations by reference? No

9) Are there any other proposed amendments pending on this Part? No

10) Statement of Statewide Policy Objectives: These proposed amendments do not affect units of local government.

11) Time, Place, and Manner in which Interested Persons may Comment on this Proposed Rulemaking: Any interested parties may submit comments, data, views, or arguments concerning this proposed rulemaking. All comments must be in writing and should be addressed to:

Judy Munna
Bureau of Rules and Regulations
Illinois Department of Public Aid
100 South Grand Ave., 2nd floor
Springfield, Illinois 62762
Phone: (217) 524-0081

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

The Department requests the submission of written comments within 30 days after the publication of this notice. The Department will consider all written comments it receives during the first notice period as required by Section 3-40 of the Illinois Administrative Procedure Act [5 ILCS 100/3-40].

12) Initial Regulatory Flexibility Analysis:

A) Types of small businesses, small municipalities and not-for-profit corporations affected: The Department is aware of and anticipates that rulemaking may have on small businesses, small municipalities or not-for-profit corporations. The Department will, however, accept and consider any written comments concerning such effect that may be submitted in response to these proposed amendments.

B) Reporting, bookkeeping or other procedures required for compliance:
None

C) Types of professional skills necessary for compliance: None

13) Regulatory agenda on which this rulemaking was summarized: This rule was not included on either of the 2 most recent agendas because this rulemaking was inadvertently omitted when the most recent regulatory agenda was published.

The full text of the Proposed Amendments begins on the next page:

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Hospital Reimbursement Changes
- 2) Code Citation: 89 Ill. Adm. Code 152
- 3) Section Numbers:
 152.150 Amendment
 152.200 Amendment
 152.250 Amendment
- 4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-13]

5) Complete Description of the Subjects and Issues Involved: These proposed amendments are necessary to implement the State's fiscal year 1997 Budget plan. The Department will continue to reimburse hospitals for inpatient and outpatient services rendered through June 30, 1997, according to the reimbursement levels calculated for each hospital that were in effect on July 1, 1995.

Additionally, the Department is proposing substantive revisions to the rate appeal process found in Section 152.250. The hospital rate appeal process was designed to ensure the financial integrity of hospitals committed to serving the Medicaid population. Despite this process, two hospitals that qualified for, and received hardship appeal payments, closed in fiscal year 1996. The proposed changes are intended to make the rate appeal process more responsive by creating the potential for more hospitals deemed critical to the Medicaid program (under the program known as CHAP (Critical Hospital Adjustment Payments)) to maintain participation in the Program.

It is anticipated that the continuance of fiscal year 1996 hospital rates will neither increase nor decrease annual aggregate expenditures in fiscal year 1997.

- 6) Will these proposed amendments replace emergency amendments currently in effect? Yes
- 7) Does this rulemaking contain an automatic repeal date? Yes
- 8) Do these proposed amendments contain incorporations by reference? No
- 9) Are there any other proposed amendments pending on this Part? No

10) Statement of Statewide Policy Objectives: These proposed amendments do not affect units of local government.

11) Time, Place, and Manner in which Interested Parties may comment on this proposed rulemaking: Any interested parties may submit comments, data,

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

views, or arguments concerning this proposed rulemaking. All comments must be in writing and should be addressed to:

Joanne Jones
 Bureau of Rules and Regulations
 Illinois Department of Public Aid
 100 South Grand Ave., E., 3rd Floor
 Springfield, IL 62762
 (217) 524-0081

The Department requests the submission of written comments within 30 days after the publication of this notice. The Department will consider all written comments it receives during the first notice period as required by Section 5-40 of the Illinois Administrative Procedure Act [5 ILCS 100/5-40].

These proposed amendments may have an impact on small businesses, small municipalities, and not-for-profit corporations as defined in Sections 100/7-80 and 100/9 of the Illinois Administrative Procedure Act [5 ILCS 100/7-80, 100/9]. These entities may submit comments in writing to the Department, 1451 North Dearborn Street, Chicago, Illinois 60610, or by electronic mail in accordance with the regulatory flexibility provisions in Section 5-40 of the Illinois Administrative Procedure Act [5 ILCS 100/5-40]. These entities will retain their administrative status as small businesses, small municipalities, or not-for-profit corporations as part of any written comments they submit to the Department.

12) Initial Regulatory Flexibility Analysis:

A) Types of small businesses, small municipalities and not for profit corporations affected: Hospitals

B) Reporting, bookkeeping or other procedures required for compliance: None

C) Types of professional skills necessary for compliance: None

13) Regulatory agenda on which this rulemaking was summarized: This rule was not included on either of the 3 most recent agendas. Because this rulemaking was not anticipated by the Department when the two most recent regulatory agendas were published.

The full text of the Proposed Amendments is identical to the text of the Emergency Amendments which appears in this issue of the Register on page

9274 E

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Hospital Services
- 2) Code Citation: 89 Ill. Adm. Code 148
- 3) Section Numbers:
 148.42
 Amendment
 148.140
 Amendment
 148.160
 Amendment
 148.285
 New Section
- 4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code (305 ILCS 5/12-13)

5) Complete Description of the Subjects and Issues Involved: These proposed amendments concerning the Department's reimbursement methodologies for hospital services are being filed in conjunction with the State's budget plan for fiscal year 1997.

In Section 148.42, Organ Transplant Services, a reference to applicable disproportionate share payment adjustments in subsection (g)(3) is being revised because the language concerning outlier adjustments is incorrectly placed in the current rule. Outlier adjustments do not apply to organ transplant procedures. The corrected language specifies the use of applicable Medicaid high volume adjustments.

In Section 148.140 and 148.160, the sunset dates are being eliminated for the reimbursement of inpatient, outpatient and county provider adjustments for three million hospitals in Illinois counties with populations over three million. These sunset dates are expected to result in the maintenance of fiscal year 1997 annual aggregate expenditures at fiscal year 1996 levels.

New Section 148.285 is being proposed to provide recognition and payments for excellence in academic medicine. This new reimbursement methodology allows for the distribution of funds created under the Excellence in Academic Medicine Act, the Post-Tertiary Clinical Services Fund and the Medical Research and Development Fund. The purpose of these funds is to support continued efforts to enhance access to medical services at high quality medical centers for Medicaid eligible recipients. This new program is expected to increase annual aggregate expenditures by \$6.8 million.

- 6) Will these proposed amendments replace emergency amendments currently in effect? Yes
- 7) Does this rulemaking contain an automatic repeal date? No
- 8) Do these proposed amendments contain incorporations by reference? No

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

- 9) Are there any other proposed amendments pending on this Part? No
- 10) Statement of Statewide Policy Objectives: These proposed amendments do not affect units of local government.
- 11) Time, Place, and Manner in which Interested Persons may Comment on this Proposed Rulemaking: Any interested parties may submit comments, data, views, or arguments concerning this proposed rulemaking. All comments must be in writing and should be addressed to:

Joanne Jones
 Bureau of Rules and Regulations
 Illinois Department of Public Aid
 100 South Grand Ave., B., 3rd Floor
 Springfield, IL 62762
 (217) 524-0061

The Department requests the submission of written comments within 30 days after the publication of this notice. The Department will consider all written comments it receives during the first notice period as required by Section 5-40 of the Illinois Administrative Procedure Act (5 ILCS 100/5-40).

These proposed amendments may have an impact on small businesses, small municipalities, and not-for-profit corporations as defined in Sections 1-75, 1-80 and 1-85 of the Illinois Administrative Procedure Act (5 ILCS 100/1-75, 1-80, 1-85). These entities may submit comments in writing to the Department at the above address in accordance with the regulatory flexibility provisions in Section 5-30 of the Illinois Administrative Procedure Act (5 ILCS 100/5-30). These entities shall indicate their status as small businesses, small municipalities, or not-for-profit corporations as part of any written comments they submit to the Department.

12) Initial Regulatory Flexibility Analysis:

- A) Types of small businesses, small municipalities and not-for-profit corporations affected: Hospitals
- B) Reporting, bookkeeping or other procedures required for compliance: None
- C) Types of professional skills necessary for compliance: None

13) Regulatory Agenda on which this rulemaking was submitted: This rule was not included on either of the 2 most recent agendas because: This rulemaking was not anticipated by the Department when the two most recent regulatory agendas were published.

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

The full text of the Proposed Amendments is identical to the text of the Emergency Amendments which appears in this issue of the Register on page 8936.

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

1) Heading of the Part: Long Term Care Reimbursement Changes

2) Code Citation: 89 Ill. Adm. Code 153

3) Section Numbers:
153.100 Proposed Action:
153.125 Amendment
New Section

4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code (305 ILCS 5/12-13)

5) Complete Description of the Subjects and Issues Involved: These proposed amendments are necessary to implement the State Fiscal Year 1997 budget plan. For services provided from July 1, 1996 through June 30, 1997, the Department will continue reimbursement levels which were in effect on July 1, 1995, with no update for inflation for nursing facilities and intermediate care facilities for persons with developmental disabilities. For services provided on or after January 1, 1997, the rates in effect on July 1, 1996, including nursing facility rates paid for exceptional care, will be increased by 6.8 percent. For day training services provided on or after July 1, 1996, rates will be increased by three percent. Additionally, for services provided on or after July 1, 1996, long term care facilities which are located in an area which has changed geographic designation due to unique labor force factors shall have rates recalculated based upon the ceilings and norms of the newly designated geographic area. Related amendments are being filed in 89 Ill. Adm. Code 140 regarding these geographic designation changes.

These changes are expected to result in an increase in annual aggregate expenditures of approximately \$18.1 million. The anticipated increase in spending for nursing facilities and day training is \$36.9 million; for ICF/MR facilities and day training, \$11 million; and for geographic classification changes, \$155,000.

6) Will these proposed amendments replace emergency amendments currently in effect? Yes

7) Does this rulemaking contain an automatic repeal date? Yes

8) Do these proposed amendments contain incorporations by reference? No

9) Are there any other proposed amendments pending on this Part? No

10) Statement of Statewide Policy Objectives: These proposed amendments do not affect units of local government.

11) Time, Place, and Manner in which Interested Persons may comment on this Proposed rulemaking: Any interested parties may submit comments, data,

DEPARTMENT OF PUBLIC AID

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

NOTICE OF PROPOSED AMENDMENTS

views, or arguments concerning this proposed rulemaking. All comments must be in writing and should be addressed to Joanne Jones, Bureau of Rules and Regulations, Illinois Department of Public Aid, 100 South Grand Ave., 8th Floor, Springfield, Illinois 62762 (Phone: (217) 521-0081). The Department requests the submission of written comments within 30 days after the publication of this notice. The Department will consider all written comments it receives during the first notice period as required by Section 5-40 of the Illinois Administrative Procedure Act (5 ILCS 100/5-40).

These proposed amendments may have an impact on small businesses, small municipalities, and not-for-profit corporations as defined in Sections 1-75, 1-80 and 1-85 of the Illinois Administrative Procedure Act (5 ILCS 100/1-75, 1-80, 1-85). These entities may submit comments in writing to the Department at the above address in accordance with the regulatory flexibility provisions in Section 5-30 of the Illinois Administrative Procedure Act (5 ILCS 100/5-30). These entities shall indicate their status as small businesses, small municipalities, or not-for-profit corporations as part of any written comments they submit to the Department.

12) Initial Regulatory Flexibility Analysis:

- A) Types of small businesses, small municipalities and not for profit corporations affected: Nursing facilities, ICF/MR facilities, developmental training agencies
- B) Reporting, bookkeeping or other procedures required for compliance: None
- C) Types of professional skills necessary for compliance: None

13) Regulatory Agenda on which this rule-making was summarized: This rule was not included on either the 2 most recent agendas because: This rulemaking was not anticipated by the Department when the two most recent regulatory agendas were published.

The full text of the Proposed Amendments is identical to the text of the Emergency Amendments which appears in this issue of the Register on page

3938

- 1) Heading of the Part: Medical Payment

- 2) Code Citation: 89 Ill. Adm. Code 140

- 3) Section Numbers:

140.80	Amendment
140.81	Amendment
140.555	Amendment
140.560	Amendment
140.561	Amendment
140.578	Amendment

- 4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code (105 ILCS 9/12-13)

- 5) Complete Description of the Subjects and Issues Involved: These proposed amendments concerning several of the Department's administrative methodologies for services under the Medical Assistance Program are being filed in conjunction with the State's budget plan for fiscal year 1997.

In Section 140.80, proposed changes allow for a reduction in the annual assessment imposed upon each hospital provider by an amount equal to approximately one-fourth of the assessment imposed during fiscal year 1996. These changes are being made in response to concerns expressed by providers of hospital services. New appropriations to the General Revenue Fund will be utilized to provide full hospital funding.

In Section 140.84, proposed changes are being made regarding State facilities operated by, or under, the authority of the Illinois Department of Veterans Affairs. The Nursing Home Care Act has been amended to define such entities as facilities which are subject to the nursing home licensing rules of the Illinois Department of Public Health. Because of this, Section 140.84 is being amended to specifically exclude veterans' facilities from assessments imposed upon nursing facilities that are not State operated. These proposed amendments are not expected to result in any budgetary changes.

Proposed revisions to Sections 140.555, 140.560, 140.561 and 140.578 change the term "Health Service Area (HSA)" to "geographic area". These changes are being made in conjunction with related amendments to 89 Ill. Adm. Code 153.22 that provide for a reimbursement increase of 6.8 percent for long term care facilities, effective on or after January 1, 1997. Modification of the Department's geographic classification methodology is necessary to implement this rate increase. The proposed amendments address the alignment of HSAs into geographic areas in order to effectively redefine boundaries used in the rate setting base for rates established July 1, 1996. These amendments are expected to result in

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

additional spending in the amount of approximately \$15,000. This amount is included in the rate enhancement estimate for long term care facilities that is expected to increase annual aggregate expenditures by approximately \$16.1 million.

- 6) Will these proposed amendments replace emergency amendments currently in effect? Yes
- 7) Does this rulemaking contain an automatic repeal date? No
- 8) Do these proposed amendments contain incorporations by reference? No
- 9) Are there any other proposed amendments pending on this Part? Yes
- | Sections | Proposed Action | Illinois Register Citation |
|----------|-----------------|--------------------------------------|
| 140.7 | Amendment | August 25, 1995 (19 Ill. Reg. 12210) |
| 140.9 | Amendment | August 25, 1995 (19 Ill. Reg. 12210) |
| 140.539 | Amendment | April 12, 1996 (20 Ill. Reg. 5448) |
- 10) Statement of Statewide Policy Objectives: These proposed amendments do not affect units of local government.
- 11) Time, Place, and Manner in which Interested Persons may comment on this proposed rulemaking: Any interested parties may submit comments, data, views, or arguments concerning this proposed rulemaking. All comments must be in writing and should be addressed to:

Joanne Jones
Bureau of Rules and Regulations
Illinois Department of Public Aid
100 South Grand Ave. E., 3rd Floor
Springfield, Illinois 62762
Phone: (217)/514-0091

The Department requests the submission of written comments within 30 days after the publication of this notice. The Department will consider all written comments received and filed in the Illinois Administrative Procedure Act (5 ILCS Section 5-40) of the Illinois Administrative Procedure Act (5 ILCS 100/5-40).

These proposed amendments may have an impact on small businesses, small municipalities, and not-for-profit corporations as defined in Sections 1-75, 1-80 and 1-85 of the Illinois Administrative Procedure Act (5 ILCS 100/1-75, 1-80, 1-85). These entities may submit comments in writing to the Department at the above address in accordance with the regulatory flexibility provisions in Section 5-30 of the Illinois Administrative Procedure Act (5 ILCS 100/5-30). These entities shall indicate their

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

status as small businesses, small municipalities, or not-for-profit corporations as part of any written comments they submit to the Department.

12) Initial Regulatory Flexibility Analysis:

- A) Types of small businesses, small municipalities and not for profit corporations affected: Long term care facilities and hospitals
- B) Reporting, bookkeeping or other procedures required for compliance: None
- C) Types of professional skills necessary for compliance: None
- 13) Regulatory Agenda on which this rulemaking was summarized: This rule was not included on either of the 2 most recent agendas because: This rulemaking was not anticipated by the Department when the two most recent regulatory agendas were published.

The full text of the proposed amendments is identical to the text of the Emergency Amendments which appears in this issue of the Register on Page 9314.

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Practice in Administrative Hearings
- 2) Code Citation: 89 Ill. Adm. Code 104
- 3) Section Numbers:
104.10
Proposed Action:
Amendment
- 4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code (305 ILCS 5/12-13)
- 5) Complete Description of the Subject and Issues Involved: These proposed amendments add rules provisions for the acceptance of a facsimile (fax) of a request for a Fair Hearing. When the rule was originally written, the use of fax machines was prevalent as it is today by individuals outside of the business community. Accordingly, more people choose to send information to local offices via fax, making it necessary for amendments establish that, for purposes of initiating an appeal, a faxed request is considered the same as an original written statement. Local offices will accept a facsimile of a completed Form DPA 193. Request for Fair Hearing, or any written statement in which a client expresses a wish to appeal. Companion amendments are also being proposed to 89 Ill. Adm. Code 110.
- 6) Will these proposed amendments replace emergency amendments currently in effect? No
- 7) Does this rulemaking contain an automatic repeal date? No
- 8) Do these proposed amendments contain incorporations by reference? No
- 9) Are there any other proposed amendments pending on this Part? Yes

Sections	Proposed Action	Illinois Register Citation
104.273	Amendment	July 5, 1996 (20 Ill. Reg. 8620)

- 10) Statement of Statewide Policy Objectives: These proposed amendments do not affect units of local government.

- 11) Time, Place, and Manner in which Interested Persons may Comment on this Proposed Rulemaking: Any interested parties may submit comments, data, views, or arguments concerning this proposed rulemaking. All comments must be in writing and should be addressed to:

Judy Ueno
Bureau of Rules and Regulations
Illinois Department of Public Aid
100 South Grand Ave. E., 3rd Floor

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

Springfield, Illinois 62762

Phone: (217) 524-0081

The Department requests the submission of written comments within 30 days after the publication of this notice. The Department will consider all written comments it receives during the first notice period as required by Section 5-40 of the Illinois Administrative Procedure Act (5 ILCS 100/5-40).

12) Initial Regulatory Flexibility Analysis:

A) Types of small businesses, small municipalities and not-for-profit corporations affected: The Department is unaware of any effect this rulemaking may have on small businesses, small municipalities, and not-for-profit corporations. The Department will accept and consider any written comments concerning such effect that may be submitted in response to these proposed amendments.

B) Reporting, bookkeeping or other procedures required for compliance:
None

C) Types of professional skills necessary for compliance: None

- 13) Regulatory agenda on which this rulemaking was summarized: This rule was not included on either of the 2 most recent agendas because: This rulemaking was inadvertently omitted when the most recent regulatory agenda was published.

The full text of the Proposed Amendments begins on the next page.

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

TITLE 89: SOCIAL SERVICES
CHAPTER 1: DEPARTMENT OF PUBLIC AID
SUBCHAPTER a: GENERAL PROVISIONS

PART 104

PRACTICE IN ADMINISTRATIVE HEARINGS

SUBPART A: ASSISTANCE APPEAL

Section	
104.1	Assistance Appeals
104.10	Initiation of Appeal Process
104.11	Pre-Appeal Review
104.12	Notice of Hearing
104.20	Conduct of Hearings
104.30	Representation
104.40	Appellant Participation in Hearing
104.50	Prehearing Requirements
104.60	Subpoenas
104.70	Amendment of Appeal
104.80	Consolidation of Appeals
104.90	Postponement or Continuation of Hearings
104.100	Withdrawal of Appeal
104.110	Closing of Hearing Record
104.120	Dismissal of Appeal
104.130	Final Administrative Decision
104.140	Public Aid Committee

SUBPART B: RESPONSIBLE RELATIVE AND JOINT PAYEE PETITIONS

Section	
104.150	Responsible Relative and Joint Payee Petitions
104.160	Petition for Hearing
104.170	Conduct of Administrative Hearings
104.180	Conduct of Hearing to Determine of Past-Due Support or of Share of Jointly-Owned Funds
104.190	Conduct of Other Hearings
104.200	Conduct of Hearings on Petitions for Release from Administrative Paternity Orders

SUBPART C: MEDICAL VENDOR HEARINGS

Section	
104.210	Applicability
104.220	Definitions
104.230	Notice of Denial of an Application
104.240	Notice of Intent to Recover Money
104.250	Notice of Contested Paternity Hearing

DEPARTMENT OF PUBLIC AID

NOTICE OF PROPOSED AMENDMENTS

TITLE 89: SOCIAL SERVICES
CHAPTER 1: DEPARTMENT OF PUBLIC AID
SUBCHAPTER a: GENERAL PROVISIONS

PART 104

PRACTICE IN ADMINISTRATIVE HEARINGS

SUBPART A: ASSISTANCE APPEAL

Section	
104.208	Notice of Intent to Terminate, Suspend or Not Renew Provider Agreement
104.209	Notice of Intent to Certify Past-Due Support Owed by a Responsible Relative to a State Licensing Agency and to Take Disciplinary Action
104.210	Right to Hearing
104.211	Notice of Termination or Suspension Pursuant to Exclusion by the Department of Health and Human Services
104.212	Prior Factual Determinations
104.213	Demand for Judicial Jury Trial in Contested Paternity Hearings
104.215	Notice of Formal Conference
104.216	Formal Conference on Recovery of Money
104.217	Purpose of Formal Conference
104.220	Notice of Hearing
104.221	Issues at Hearings
104.222	Legal Counsel
104.223	Representation of Attorney or Other Representative
104.224	Form of Service and Proof of Service
104.225	Form of Papers
104.226	Discovery
104.227	Conduct of Hearings
104.228	Amendments
104.229	Motions
104.230	Subpoenas
104.231	Burden of Proof
104.232	Witness at Hearings
104.233	Evidence at Hearings
104.234	Cross-Examination
104.235	Genetic Testing in Contested Paternity Hearings
104.236	Official Notice
104.237	Computer Generated Documents
104.238	Recommendation of Peer Review Committee
104.239	Time Limits for Hearings
104.240	Contested Hearings
104.241	Withholding of Payments During Pendency of Proceedings
104.242	Continuation of Payments During Pendency of Proceedings
104.243	Denial of Payments for Services During Pendency of Proceedings
104.244	Record of Hearings
104.245	Failure to Appear or Proceed
104.246	Recommended Decision
104.247	Director's Decision

SUBPART D: RULES FOR JOINT DEPARTMENT ACTIONS AGAINST
SKILLED NURSING FACILITIES AND INTERMEDIATE CARE
FACILITIES PARTICIPATING IN THE MEDICAID PROGRAM

Section	
104.300	Authority
104.302	Definitions

HEALTH FACILITIES PLANNING BOARD

NOTICE OF PROPOSED AMENDMENT

1) Heading of the Part: Permit Application Fees2) Code Citation: 77 Ill. Adm. Code 11903) Section Numbers:

<u>Section Number</u>	<u>Proposed Action:</u>
1190.10	Amendment
1190.20	Amendment
1190.30	Amendment
1190.40	Amendment
1190.50	Amendment
1190.60	Amendment
1190.80	Amendment
1190.90	New Section

4) Statutory Authority: Illinois Health Facilities Planning Act (20 ILCS 3960)

5) A Complete Description of the Subjects and Issues Involved: Part 1190 contains the Health Facilities Planning Board's rules regarding application fees for certificate of need (permit or exemption) applications. The proposed amendments and new Section would modify the language on the assessment of fees regarding permit applications, modification of applications, permit alterations and permit exemptions. The proposed amendments, permit alterations and permit exemptions, would amend and new Section would remove the "cap" and increase the amount of the fee for deposit into the Health Facilities Planning Fund. The Fund is Illinois' source for the expenses incurred in administering the functions of the Planning Act. The amendments are intended to establish a more equitable fee structure, reduce the complexity and time spent by the State Board and Department on processing applications from initial submission through project completion.

6) Will this rulemaking replace any emergency rulemaking currently in effect?

No

7) Does this rulemaking contain an automatic repeal date? No8) Does this rulemaking contain incorporations by reference? No9) Are there any other proposed rulemakings pending on this Part? No

10) Statement of Statewide Policy Objectives: The purpose of the Planning Act is to establish a procedure for the construction of health care facilities, preventing unnecessary construction or modification of existing facilities. Section 12.1 of the Act provides for the planning and collection of application processing fees. Funds collected are used for the expenses of administering the Act. Application processing fees have been utilized to fund all direct program costs. No General Revenue funds are utilized for direct administrative expenses.

11) Time, Place and Manner in which interested persons may comment on this

HEALTH FACILITIES PLANNING BOARD

NOTICE OF PROPOSED AMENDMENT

Proposed rulemaking: Interested persons may present their comments concerning these rules by writing within 45 days after this issue of the *Illinois Register* to:

Donald Jones
Health Facilities Planning Board
Illinois Department of Public Health
Illinois Health Facilities Development
535 Jefferson Street, Second Floor
Springfield, IL 62761
(217) 782-3516

All written comments received within the 45 days after this issue of the *Illinois Register* will be considered.

A public hearing will be held on Tuesday, August 13, 1996 at 1:30 p.m. at the Illinois Department of Public Health's Training Center, 525 West Jefferson Street, 1st Floor, Springfield, Illinois. The hearing will be for the sole purpose of gathering public comment on the proposed amendments. Persons interested in presenting testimony at this hearing are advised that the State Board will follow these procedures in the conduct of the hearing:

1. Each person presenting oral testimony is requested to provide to the State Board a written (preferably typed) copy of such testimony at the time the oral testimony is presented.

2. No persons will be recognized to speak for a second time until all persons wishing to testify have done so. The State Board may limit the time the hearing is open and limit the time of individual testimony based upon the number of persons wishing to testify. All testimony shall conclude at the specific times except that an individual in the midst of presenting testimony shall be allowed to complete his/her testimony.

3. In order to provide for a balanced presentation of views and to facilitate the orderly conduct of the hearing, the State Board may impose such other rules of procedure, including the order of call of witnesses, as necessary.

These rules may have an impact on small businesses. In accordance with Sections 1-75 and 1-10 of the Illinois Administrative Procedure Act, any small business may present their comments in writing to Donald Jones at the above address.

Any small business (as defined in Section 1-75 of the Illinois Administrative Procedure Act) commenting on these rules shall indicate their status as such, in writing, in their comments.

HEALTH FACILITIES PLANNING BOARD

NOTICE OF PROPOSED AMENDMENT

12) Initial Regulatory Flexibility Analysis:

A) Types of small businesses, small municipalities and not-for-profit corporations affected: Health care facilities that meet the definition of small businesses.

B) Reporting, bookkeeping or other procedures required for compliance: None

C) Times of professional skills necessary for compliance: None

13) Regulatory Agenda on which this rulemaking was summarized: July 1996

The full text of the Proposed Amendment begins on the next page:

HEALTH FACILITIES PLANNING BOARD

NOTICE OF PROPOSED AMENDMENT

TITLE 77: PUBLIC HEALTH
CHAPTER VII: HEALTH FACILITIES
PLANNING BOARD
SUBCHAPTER 3: OTHER BOARD RULES

PART 1190

PERMIT APPLICATION FEES

Section	
1190.10	Statutory Authority and Public Hearings
1190.20	Initial Fee Deposit
1190.25	Fee Payment
1190.30	Assessment of Fees
1190.40	Total Estimated Cost of the Project
1190.50	Fees Related to Modification of an Application or Alteration of a Permit
1190.60	Obligation Requirements and Cost Overrun
1190.70	Permit Renewal or Extension
1190.80	Applications for Exemptions Other than Major Medical Equipment
1190.90	Applications for Exemption of Major Medical Equipment

AUTHORITY: Implementing and authorized by Section 12(8) of the Illinois Health Facilities Planning Act (20 ILCS 3960/12(8)).

SOURCE: Filed June 21, 1976; amended at 5 Ill. Reg. 1999, effective April 22, 1991; amended at 6 Ill. Reg. 11634, effective September 9, 1992; amended at 7 Ill. Reg. 5969, effective May 13, 1993; codified at 8 Ill. Reg. 12459; amended at 12 Ill. Reg. 10514, effective June 7, 1988; amended at 14 Ill. Reg. 5550, effective May 1, 1990; recodified at 20 Ill. Reg. 1598, effective January 26, 1996; amended at 20 Ill. Reg. _____, effective _____.

AGENCY NOTE: The Illinois Department of Public Health does not discriminate on the basis of handicap in admission or access to, or treatment or employment, its programs and activities in compliance with Section 504 of the Rehabilitation Act of 1973, as amended. The Equal Employment Opportunity Officer is responsible for coordination of compliance efforts (217) 785-2034; TDD (217) 785-2088.

Section 1190.10 Statutory Authority and Public Hearings

a) This Part is prepared and promulgated by authority granted to the Illinois Department of Public Health (Agency) and to the Illinois Health Facilities Planning Board (State Board) under Section 12(1) of the Illinois Health Facilities Planning Act (the Act) (20 ILCS 3960/12(1)). Section 12(8) of the Illinois Health Facilities Planning Act (the Act) (20 ILCS 3960/12(8)) reads: "The Illinois Department of Public Health shall be the State Board of Health. The State Board shall have the authority to prepare and promulgate rules and regulations necessary to carry out the purposes of the Act which provides that the State Agency shall 'charge and collect from the permittee-applicant an amount

HEALTH FACILITIES PLANNING BOARD

NOTICE OF PROPOSED AMENDMENT

Persons submitting applications for exemptions for transactions other than the acquisition of major medical equipment shall be assessed an application fee of \$1,200 for the processing of the application. The Chairman of the State Board will not place any application for exemption on its docket for action until all required fees have been submitted.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 1190.90 Applications for Exemption of Major Medical Equipment

Persons submitting applications for exemption for the acquisition of major medical equipment shall be assessed an application fee of the greater of \$1,200 or 0.1 of one percent of the total estimated cost of the transaction calculated as per Section 1190.40). The application fee must accompany each application for exemption. The Chairman of the State Board will not place any application for exemption on its docket for action nor take any action until all required fees have been submitted.

(Source: Added at 20 Ill. Reg. _____, effective _____)

DEPARTMENT OF REHABILITATION SERVICES

NOTICE OF PROPOSED AMENDMENT

1) Heading of the Part: Admission, Suspension, Expulsion and Discharge Procedures

2) Code Citation: 89 Ill. Adm. Code 755

3) Section Numbers: Proposed Action:
755.35 Amended
755.30 Amended
755.40 Amended

4) Statutory Authority: Implementing Sections 3, 10, 11 and 13 and authorizing any Section 3 of "AN ACT in relation to rehabilitation of persons with one or more disabilities" (20 ILCS 2405/3, 10, 11 and 13)

5) A Complete Description of the Subjects and Issues Involved: Section 755.25 allows for direct referral to the Illinois School for the Visually Impaired and requires a lead blood level screening report prior to admission. Section 755.30 allows curatech and center based services to infants with hearing impairments to the Illinois School for the Deaf. Section 755.40 allows the Illinois School for the Visually Impaired to offer out-reach and center based services to infants with visual impairments.

6) Will this rulemaking replace any emergency rulemaking currently in effect?
No

7) Does this rulemaking contain an automatic repeal date? No

8) Does this rulemaking contain incorporations by reference? No

9) Are there any other proposed rulemakings pending on this Part? No

10) Statement of Statewide Policy Objectives: This is not applicable to this Rulemaking.

11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Interested persons may present their comments concerning these rules within 45 days after this issue of the Illinois Register. All requests and comments should be submitted in writing to:

Ms. Susan Warner, Manager
Regulations and Procedures Division
Department of Rehabilitation Services
P.O. Box 1929
Springfield, IL 62794-9429
(217) 785-3896 or TTI: (217) 785-9301

If because of physical disability you are unable to put comments into

DEPARTMENT OF REHABILITATION SERVICES

NOTICE OF PROPOSED AMENDMENT

writing, you may make them orally to the person listed above.

- 12) Initial Regulatory Flexibility Analysis: The Department has determined that this rulemaking will not affect small businesses.

- A) Types of small businesses, small municipalities and not for profit corporations affected: n/a

- B) Reporting, bookkeeping or other procedures required for compliance: n/a

- C) Types of professional skills necessary for compliance: n/a

- 13) Regulatory Agenda on which this rulemaking was summarized: January 1996

The full text of the Proposed Amendment begins on the next page.

DEPARTMENT OF REHABILITATION SERVICES

NOTICE OF PROPOSED AMENDMENT

TITLE 89: SOCIAL SERVICES
CHAPTER IV: DEPARTMENT OF REHABILITATION SERVICES
SUBCHAPTER I: EDUCATIONAL FACILITIES

PART 755

ADMISSION, SUSPENSION, EXPULSION AND DISCHARGE PROCEDURES

Section	
755.10	Eligibility for Specialized Services
755.20	Application for Admission
755.22	Wards of the Department of Children and Family Services
755.25	Components of an Application
755.30	Admission of Students with Hearing Impairments
755.40	Admission of Blind, Visually Impaired or Deaf-Blind Students
755.50	Admission of Students with Severe Physical and Health Impairments
755.60	Admissions Review Committee
755.70	Meetings of the Admissions Review Committee
755.80	Representatives to be Present
755.90	Outcome of Application for Admission
755.100	Repealed
755.110	Wards of the Department of Children and Family Services (Repealed)
755.120	Components of an Application (Repealed)
755.130	Submissions of Applications (Repealed)
755.140	Admissions Review Committee (Repealed)
755.150	Meetings of the Admissions Review Committee (Repealed)
755.160	Representatives to be Present (Repealed)
755.170	Outcome of Application for Admission (Repealed)
755.180	Multidisciplinary Staffing (Repealed)
755.190	Parent Participation in IEP (Repealed)
755.200	IEP (Repealed)
755.210	Diagnostic Period (Repealed)
755.220	Outcome of the Evaluation (Repealed)
755.230	Discharge
755.240	Case Study Evaluation to Determine Whether a Student is Inappropriately Placed
755.250	Medical Services
755.260	Suggestions Changes in Placements, and Discharges of Students who are Dangerous to Themselves or Others

AUTHORITY: Implementing Sections 3, 10, 11 and 13 and authorized by Section 3 of "AN ACT in relation to remediation of persons with one or more disabilities," [20 ILCS 2405/3, 10, 11 and 13].

SOURCE: Adopted at 6 Ill. Reg. 1235, effective January 18, 1982; codified at 6 Ill. Reg. 14370; amended at 12 Ill. Reg. 13971, effective August 19, 1988; amended at 15 Ill. Reg. 18243, effective December 10, 1991; amended at 20 Ill. Reg. _____, effective _____.

DEPARTMENT OF REHABILITATION SERVICES

DEPARTMENT OF REHABILITATION SERVICES

NOTICE OF PROPOSED AMENDMENT

NOTICE OF PROPOSED AMENDMENT

Section 755.25 Components of an Application

- a) Application to a State School can be made in one of the following ways:
 - 1) by the district; or
 - 2) in the case of the Illinois School for the Deaf (ISD) or the Illinois School for the Visually Impaired (ISVI), if a parent disagrees with the placement option of the district after the Multidisciplinary Conference (MDC) and Individualized Education Program (IEP) are completed, the parent may apply directly to ISD or ISVI; however, placement of school district referrals shall be given priority over placement of these applicants. ISD or ISVI shall notify in writing or by telephone the district within 15 days of receipt of an application from a parent. If resource (classroom and dormitory availability, staff to student ratio and commodities) are sufficient, applications by parents shall be considered at quarterly admission meetings (99 Ill. Adm. Code 755.70).
- b) The following shall be submitted to the facility administrator of the State School at the time of application:
 - 1) Application. (IL 488-7136)
 - 2) A copy of the student's most recent MDC and IEP Report developed by the district or a copy of the Hearing Officer's decision from an appeal pursuant to 99 Ill. Adm. Code 800.
 - 3) A letter from the education official of the district formally referring the student for educational placement. If the provisions in (a)(2) above apply, a letter shall not be required.
 - 4) The student's medical history, including a detailed immunization record, and family history of hearing loss, visual impairment, congenital/physical, and health problems, and any motor, speech, or self-care limitations the student may possess.
 - 5) Appropriate medical examinations:
 - A) Either a current general physical examination or a Certificate of Child Health Examination (Department of Public Health form 001.2) completed within one year of application.
 - B) Applicants to ISD must submit an otological or an audiological examination report.
 - C) Applicants to ISDC must submit a medical examination report from the Division of Services for Crippled Children if available.
 - D) Applicants to ISVI must submit an ophthalmological or optometric examination report.
 - E) All students six years of age or younger must submit a lead blood level screening report prior to admission as required by 23 Ill. Adm. Code 665.140(f).
 - 6) The student's most recent case study evaluation including all components required by 23 Ill. Adm. Code 226.5. If

evaluation is more than three years old, the State School will either request the district to conduct and submit a current case study evaluation or make arrangements for a case study evaluation to be conducted at the State School prior to the student being considered for admission.

- 7) Other educational, medical, and social reports and documents as may be necessary for the application process (e.g., guardianship papers and birth certificate).

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 755.30 Admission of Students with Hearing Impairments

The Superintendent, facility administrators of SD shall admit students between the ages of three and twenty-one, if space is available, when it has been determined through an application and evaluation process, that SD can provide an appropriate program and the student can meet the following criteria:

- [illegible]

Source: Amended at 20 Ill. Reg. effective

Section 755.40 Admission of Blind, Visually Impaired or Deaf-Blind Students

[illegible]

DEPARTMENT OF REHABILITATION SERVICES

NOTICE OF PROPOSED AMENDMENT

application and evaluation process that ISWI can provide an appropriate program, and the student can meet the following criteria:

- a) must be a resident of Illinois, and
- b) has been diagnosed by an ophthalmologist licensed pursuant to the Medical Practice Act of 1989 (225 ILCS 60/11) or
- c) has been diagnosed by an optometrist licensed pursuant to the Illinois Optometric Practice Act (225 ILCS 80/1) as blind, visually impaired, or deaf-blind, including those with secondary disabilities, in accordance with 89 Ill. Adm. Code 765.10(d).

In addition, the Superintendent may make both outreach and center based services available to infants with sight impairments between the ages of birth and five if funds are available to provide such services.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Retailers' Occupation Tax

- 2) Code Citation: 86 Ill. Adm. Code 130

- 3) Section Numbers: Proposed Action:

130.801 Amendment

130.805 Amendment

130.825 Amendment

- 4) Statutory Authority: 35 ILCS 120

- 5) A Complete Description of the Subjects and Issues Involved: This rulemaking amends Section 130.801, 130.805 and 130.825 regarding recordkeeping requirements. These amendments provide guidelines for taxpayers to keep records used to establish taxpayer compliance in machine-readable format and for when taxpayers utilize electronic data interchange.

- 6) Will this proposed rule replace an emergency rule currently in effect? No
- 7) Does this rulemaking contain an automatic repeal date? No

- 8) Does this proposed amendment contain incorporations by reference? No

- 9) Are there any other proposed amendments pending on this Part? Yes

Section Numbers	Proposed Action	IL Register Citation
130.310	Amendment	3/29/96, 20 Ill. Reg. 5047
130.1352	New Section	4/12/96, 20 Ill. Reg. 5470
130.101	Amendment	4/19/96, 20 Ill. Reg. 5774
130.331	New Section	6/14/96, 20 Ill. Reg. 7773

- 10) Statement of Statewide Policy Objectives: This rulemaking does not create a state mandate, nor does it modify any existing state mandates.

- 11) Time, Place and Manner in which Interested Persons may Comment on this Proposed Rulemaking: Persons who wish to submit comments on this proposed rule may submit them in writing by no later than 45 days after publication of this notice to:

Terry D. Charlton
Associate Counsel
Illinois Department of Revenue
Legal Services Office
401 West Jefferson
Springfield, Illinois 62794
Phone: (217) 782-6996

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

12) Initial Regulatory Flexibility Analysis:

A) Types of small businesses, small municipalities and not for profit corporations affected; the type of taxpayer subject to the Retailers' Occupation Tax Act that will be affected; electronic data interchange or books and records in a machine-sensible format.

B) Reporting, bookkeeping or other procedures required for compliance: Minimal

C) Types of professional skills necessary for compliance: None

13) Regulatory Agenda on which this rulemaking was summarized: January 1996

The full text of the Proposed Amendment(s) begins on the next page:

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

TITLE 36: REVENUE

CHAPTER I: DEPARTMENT OF REVENUE

PART 130

RETAILERS' OCCUPATION TAX

SUBPART A: NATURE OF TAX

Section	Character and Rate of Tax
130.101	Responsibility of Trustees, Receivers, Executors or Administrators
130.105	Recreational Sales
130.107	State-Owned Motor Vehicles by Leasing or Rental Business
130.110	Habitat Sales
130.115	Notariable Transactions
130.120	

SUBPART B: SALE AT RETAIL

Section	The Test of a Sale at Retail
130.201	Sales for Transfer Incident to Service
130.205	Sales of Tangible Personal Property to Purchasers for Resale
130.210	Further Illustrations
130.215	Sales to Lessors of Tangible Personal Property
130.220	

SUBPART C: CERTAIN STATUTORY EXEMPTIONS

Section	Exemption
130.305	Farm Machinery and Equipment
130.310	Foodstuffs, Medicines and Medical Appliances
130.315	Fuel Sold for Use in Vessels on Rivers Bordering Illinois
130.320	Gasoline
130.321	Fuel Used by Air Common Carriers in International Flights
130.325	Graphic Arts Machinery and Equipment Exemption
130.330	Manufacturing Machinery and Equipment
130.335	Pollution Control Facilities
130.340	Rolling Stock
130.345	Oil Field Exploration, Drilling and Production Equipment
130.350	Coal Exploration, Mining, Off Highway Hauling, Processing, Maintenance and Reclamation Equipment

SUBPART D: GROSS RECEIPTS

Section	Meaning of Gross Receipts
130.401	How to Avoid Paying Tax on State or Local Tax Passed on to the Purchaser
130.410	Cost of Doing Business Not Deductible

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

Transportation and Delivery Charges
 130.415 Finance or Interest Charges--Penalties--Discounts
 130.420 Traded-In Property
 130.425 Deposit or Prepayment on Purchase Price
 130.430 State and Local Taxes Other Than Retailers' Occupation Tax
 130.435 Penalties
 130.440 Federal Taxes
 130.445 Installation, Alteration and Special Service Charges
 130.450 Motor Vehicle Leasing and Trade-In Allowances
 130.455

SUBPART B: RETURNS

Section
 130.501 Monthly Tax Returns--When Due--Contents
 130.502 Quarterly Tax Returns
 130.505 Returns and How to Prepare
 130.510 Annual Tax Returns
 130.515 First Return
 130.520 Final Returns When Business is Discontinued
 130.525 Who May Sign Returns
 130.530 Returns Covering More Than One Location Under Same Registration--Separate Returns for Separately Registered Locations
 130.535 Payment of the Tax, Including Quarterly Monthly Payments in Certain Instances
 130.540 Returns on a Transaction by Transaction Basis
 130.545 Registrants Must File a Return for Every Return Period
 130.550 Filing of Returns for Retailers by Suppliers Under Certain Circumstances
 130.551 Payment of Retailers' Occupation Tax on Motor Fuel
 130.555 Pending Machine Information Returns
 130.560 Verification of Returns

SUBPART F: INTERSTATE COMMERCE

Section
 130.601 Preliminary Comments
 130.605 Sales of Property Originating in Illinois
 130.610 Sales of Property Originating in Other States

SUBPART G: CERTIFICATE OF REGISTRATION

Section
 130.701 General Information on Obtaining a Certificate of Registration
 130.705 Procedure in Disputed Cases Involving Financial Responsibility Requirements
 130.710 Procedures When Security Must Be Forfeited
 130.715 Surrender of Certificate of Registration
 130.720 Separate Registrations for Different Places of Business of Same

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

Taxpayer Under Some Circumstances
 130.735 Display of Certificate
 130.740 Payment of Certificate
 130.735 Certificate Not Transferable
 130.740 Certificate Required for Mobile Vending Units
 130.745 Revocation of Certificate

SUBPART H: BOOKS AND RECORDS

Section
 130.801 General Requirements
 130.805 What Records Constitute Minimum Requirement
 130.810 Records Required to Support Deductions
 130.815 Preservation and Retention of Records
 130.820 Preservation of Books During Pendency of Assessment Proceedings
 130.825 Department Authorization to Destroy Records Sooner Than Would Otherwise be Permissible

SUBPART I: PENALTIES AND INTEREST

Section
 130.901 Civil Penalties
 130.905 Interest
 130.910 Criminal Penalties

SUBPART J: BINDING OPINIONS

Section
 130.1001 When Opinions from the Department are Binding

SUBPART K: SELLERS LOCATED ON, OR SHIPPING TO, FEDERAL AREAS

Section
 130.1101 Definition of Federal Area
 130.1105 When Deliveries on Federal Areas are Taxable
 130.1110 No Distinction Between Deliveries on Federal Areas and Deliveries Outside Federal Areas

SUBPART L: TIMELY MAILING TREATED AS TIMELY FILING AND PAYING

Section
 130.1201 General Information
 130.1205 Due Date that Falls on Saturday, Sunday or a Holiday

SUBPART M: LEASED PORTIONS OF LESSOR'S BUSINESS SPACE

Section
 130.1301 When Lessee of Premises Must File Return for Leased Department

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

130.1305 When Lessor of Premises Should File Return for Leased Department
130.1310 Meaning of "Lessor" and "Lessee" in this Regulation

SUBPART N: SALES FOR RESALE

Section
130.1401 Seller's Responsibility to Determine the Character of the Sale at the Time of the Sale
130.1405 Seller's Responsibility to Obtain Certificates of Resale and Requirements for Certificates of Resale
130.1410 Requirements for Certificates of Resale (Repealed)
130.1415 Resale Number--When Required and How Obtained
130.1420 Blanket Certificate of Resale (Repealed)

SUBPART O: CLAIMS TO RECOVER ERRONEOUSLY PAID TAX

Section
130.1501 Claims for Credit--Limitations--Procedure
130.1505 Disposition of Credit Memoranda by Holders Thereof
130.1510 Returns
130.1515 Interest

SUBPART P: PROCEDURE TO BE FOLLOWED UPON SELLING OUT OR DISCONTINUING BUSINESS

Section
130.1601 When Returns are Required After a Business is Discontinued
130.1605 When Returns Are Not Required After Discontinuation of a Business
130.1610 Cross Reference to Bulk Sales Regulation

SUBPART Q: NOTICE OF SALES OF GOODS IN BULK

Section
130.1701 Bulk Sales: Notices of Sales of Business Assets

SUBPART R: POWER OF ATTORNEY

Section
130.1801 When Powers of Attorney May be Given
130.1805 Filing of Power of Attorney With Department
130.1810 Filing of Papers by Agent Under Power of Attorney

SUBPART S: SPECIFIC APPLICATIONS

Section
130.1901 Addition Agents to Plating Baths
130.1905 Agricultural Producers
130.1910 Antiques, Curios, Art Work, Collectors' Coins, Collectors' Postage

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

Stamps and Like Articles
130.1915 Auctioneers and Agents
130.1920 Barbers and Beauty Shop Operators
130.1925 Blacksmiths
130.1930 Chiropractists, Osteopaths and Chiropractors
130.1935 Computer Software
130.1940 Construction Contractors and Real Estate Developers
130.1945 Co-operative Associations
130.1950 Dentists
130.1951 Enterprise Zones
130.1955 Farm Chemicals
130.1960 Finance Companies and Other Lending Agencies - Installment Contracts
130.1965 Florists and Nursermen
130.1970 Hatcheries
130.1975 Operators of Games of Chance and Their Suppliers
130.1980 Optometrists and Opticians
130.1985 Pawnbrokers
130.1990 Peddlers, Hawkers and Itinerant Vendors
130.1995 Personalizing Tangible Personal Property
130.2000 Persons Engaged in the Printing, Graphic Arts or Related Occupations, and Their Suppliers
130.2005 Persons Engaged in Nonprofit Service Enterprises and in Similar Enterprises Operated as Businesses, and Suppliers of Such Persons
130.2006 Sales by Teacher-Sponsored Student Organizations
130.2007 Exemption Identification Numbers
130.2008 Sales by Nonprofit Service Enterprises
130.2010 Persons Who Rent or Lease the Use of Tangible Personal Property to Others
130.2015 Others Who Repair or Otherwise Service Tangible Personal Property
130.2020 Physicians and Surgeons
130.2025 Picture-Framers
130.2030 Public Amusement Places
130.2035 Registered Pharmacists and Druggists
130.2040 Retailers of Clothing
130.2045 Retailers on Premises of the Illinois State Fair, County Fairs, Art Shows, Flea Markets and the Like
130.2050 Sales and Gifts By Employers to Employees
130.2055 Sales by Governmental Bodies
130.2060 Sales of Alcoholic Beverages, Motor Fuel and Tobacco Products
130.2065 Sales of Automobiles for Use in Demonstration
130.2070 Sales of Containers, Wrapping and Packing Materials and Related Products
130.2075 Sales to Construction Contractors, Real Estate Developers and Speculative Builders
130.2080 Sales to Governmental Bodies, Foreign Diplomats and Consular Personnel
130.2085 Sales to or by Banks, Savings and Loan Associations and Credit

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

- Unions
- 130-2090 Sellers to Railroad Companies
- 130-2095 Sellers of Gasohol, Coal, Coke, Fuel Oil and Other Combustibles
- 130-2100 Sellers of Feeds and Breeding Livestock
- 130-2105 Sellers of Newspapers, Magazines, Books, Sheet Music and Phonograph Records and Their Suppliers
- 130-2110 Sellers of Seeds and Fertilizer
- 130-2115 Sellers of Machinery Tools and the Like
- 130-2120 Suppliers of Persons Engaged in Occupations and Professions
- 130-2125 Dealers in Lottery Tickets and Discount Coupons
- 130-2130 Directors of Cemeteries and Funeral Directors
- 130-2135 Vending Machines
- 130-2140 Vending of Curtains, Slip Covers, Floor Covering and Other Similar Items Made to Order
- 130-2145 Vendors of Meats
- 130-2150 Vendors of Memorial Stones and Monuments
- 130-2155 Vendors of Signs
- 130-2160 Vendors of Steam
- 130-2165 Vendors of Tangible Personal Property Employed for Premiums, Advertising, Prizes, Etc.
- 130-2165 Veterinarians
- 130-2170 Warehousemen
- ILLUSTRATION A: Examples of Tax Exemption Cards

AUTHORITY: Implementing the Illinois Retailers' Occupation Tax Act [35 ILCS 120.1] and amendments thereto. Section 3965 of the Civil Administrative Code of Illinois [40 ILCS 2405/3965].

SOURCE: Adopted July 1, 1933; amended at 2 Ill. Reg. 50, p. 71, effective December 10, 1978; amended at 3 Ill. Reg. 12, p. 4, effective March 19, 1979; amended at 3 Ill. Reg. 13, pp. 93 and 95, effective March 25, 1979; amended at 3 Ill. Reg. 23, p. 164, effective June 3, 1979; amended at 3 Ill. Reg. 25, p. 229, effective June 17, 1979; amended at 3 Ill. Reg. 44, p. 133, effective October 19, 1979; amended at 3 Ill. Reg. 46, p. 52, effective November 2, 1979; amended at 4 Ill. Reg. 24, pp. 520, 529, 564 and 571, effective June 1, 1980; amended at 5 Ill. Reg. 818, effective January 2, 1981; amended at 5 Ill. Reg. 3014, effective March 11, 1981; amended at 5 Ill. Reg. 12782, effective November 2, 1981; amended at 6 Ill. Reg. 2360, effective March 3, 1982; amended at 6 Ill. Reg. 6790, effective May 24, 1982; codified at 6 Ill. Reg. 5229; recodified at 6 Ill. Reg. 8999; amended at 6 Ill. Reg. 13225, effective December 3, 1982; amended at 7 Ill. Reg. 1950, effective June 15, 1983; amended at 7 Ill. Reg. 1951, effective June 15, 1983; amended at 7 Ill. Reg. 1982, effective September 1, 1983; amended at 7 Ill. Reg. 1977, effective January 1, 1984; amended at 10 Ill. Reg. 12067, effective July 1, 1986; amended at 10 Ill. Reg. 19358, effective November 5, 1986; amended at 10 Ill. Reg. 19772, effective November 5, 1986; amended at 11 Ill. Reg. 4325, effective March 2, 1987; amended at 11 Ill. Reg. 6224, effective March 20, 1987; amended at 11 Ill. Reg. 18284, effective October 27, 1987; amended at 11 Ill. Reg. 18767.

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

- effective October 28, 1987; amended at 11 Ill. Reg. 19138, effective October 29, 1987; amended at 11 Ill. Reg. 19596, effective November 23, 1987; amended at 12 Ill. Reg. 5652, effective March 15, 1988; emergency amendment at 12 Ill. Reg. 14401, effective September 4, 1988, for a maximum of 150 days, modified in response to an objection of the Joint Committee on Administrative Rules at 12 Ill. Reg. 19531, effective November 4, 1988, not to exceed the 150 day time limit of the original rulemaking; emergency expired January 29, 1989; amended at 13 Ill. Reg. 11821, effective June 29, 1989; amended at 14 Ill. Reg. 241, effective December 21, 1989; amended at 14 Ill. Reg. 872, effective January 1, 1990; amended at 14 Ill. Reg. 15463, effective September 10, 1990; amended at 14 Ill. Reg. 16028, effective September 18, 1990; amended at 15 Ill. Reg. 6621, effective April 17, 1991; amended at 15 Ill. Reg. 15937, effective October 15, 1991; amended at 15 Ill. Reg. 1644, effective January 13, 1992; amended at 16 Ill. Reg. 560, effective October 1989; amended at 16 Ill. Reg. 15937, effective October 1991; amended at 17 Ill. Reg. 1951, effective November 12, 1991; amended at 17 Ill. Reg. 1537, effective January 13, 1994; amended at 18 Ill. Reg. 15865, effective November 7, 1994; amended at 19 Ill. Reg. 13446, effective September 12, 1995; amended at 19 Ill. Reg. 13668, effective September 11, 1995; amended at 19 Ill. Reg. 13668, effective September 18, 1995; amended at 20 Ill. Reg. 4428, effective March 4, 1996; amended at 20 Ill. Reg. 5365, effective March 26, 1996; amended at 20 Ill. Reg. 6991, effective May 7, 1996; amended at 20 Ill. Reg. _____, effective _____.

SUBPART H: BOOKS AND RECORDS

Section 130.801 General Requirements

- a) Every person engaged in the business of selling tangible personal property at retail in this State shall keep records and books of all sales and purchases of tangible personal property, including all sales of tangible personal property, in accordance with the following requirements. Inventory records, as herein defined, shall be prepared as of December 31 of each year or otherwise annually, as has been the custom in the specific trade, credit memos, debit memos, bills of lading, shipping records, and all other records pertaining to any and all purchases and sales of goods whether or not the retailer believes them to be taxable under the Act; and the retailer shall also keep summaries, recapitulations, totals, journal entries, ledger accounts, accounts receivable records, accounts payable records, statements, tax returns with all schedules or pertinent working papers used in connection with the preparation of such returns, and other documents listing, summarizing or pertaining to such sales, purchases, inventory changes, shipments or other transactions.
- b) Retailers must maintain complete books and records covering receipts from all sales and distributing taxable forms from nontaxable receipts.
- c) Such books and records must clearly indicate and explain all the information (deductions as well as gross receipts) required for tax

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

returns and shall, at all times during business hours of the day, be subject to inspection and audit by the Department or its duly authorized agents and employees.

- d) If a taxpayer retains records required to be retained under this Section in both machine-readable and hard-copy formats, the taxpayer shall make the records available to the Department in machine-readable format upon request.

e) Such books and records must be kept in the English American language.

f) Such books and records must be kept within Illinois except in instances where a business has several branches, with the head office being located outside Illinois, and where all books and records have been regularly kept outside the State at such head office. Under such circumstances, upon written permission from the Department, books and records may be kept outside Illinois, but the taxpayer must, within a reasonable time after notification by the Department, make all pertinent books, records, papers and documents available at some point within Illinois for the purpose of such inspection and audit as the Department may deem necessary.

3) f) It shall be presumed that all sales of tangible personal property are subject to tax under the Act until the contrary is established, and the burden of proving that a transaction is not taxable shall rest upon the person who would be required to remit the tax to the Department if such transaction is taxable. In the course of any audit or investigation or hearing by the Department with reference to a given taxpayer, if the Department finds that the taxpayer lacks documentary evidence needed to support the taxpayer's claim to exemption from tax, the Department is authorized to notify the taxpayer in writing to produce such evidence, and the taxpayer shall have 60 days subject to the right in the Department to extend this period either on request for good cause shown or on its own motion registered when such notice is sent to the taxpayer by certified or registered mail, for delivery to the taxpayer if the notice is served personally in accordance with the provisions of the Act. If the Department's inspection and audit, failing which the matter shall be closed, and the transaction shall be conclusively presumed to be taxable.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

Section 130.805 What Records Constitute Minimum Requirement

- a) In general. A taxpayer shall maintain all records that are necessary to a determination of the correct tax liability under the Act. All required records must be made available on request by the Department. Where a taxpayer's business consists exclusively of the sale of tangible personal property at retail, the following records will be deemed by the Department to constitute a minimum for the purposes of

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

the Act:

- 1) Cash register tapes and other data which will provide a daily record of the gross amount of sales.
- 2) A record of the amount of merchandise purchased. To fulfill this requirement, copies of all vendors' invoices and taxpayers' receipts on purchase orders must be retained serially and in sequence.
- 3) A true and complete inventory of the value of stock on hand taken at least once each year.

b) Microfilm and microfiche records may be microfilmed or microfiched as long as such microfilmed and microfiched records are accurate, accessible and readable and the following requirements are fully satisfied:

- 1) Reproductions of all original records must be produced upon request by the Department or its authorized representative.
- 2) Appropriate facilities are provided for preservation of the microfilm or microfiche for periods required.
- 3) Microfilm or microfiche records are indexed, cross-referenced and labeled to show beginning and ending numbers at beginning and ending appropriate stating of documents included and are systematically filed to permit the immediate location of any particular record. A listing reference must be on each document and must include day or date of such documents must be maintained in a file or cabinet.
- 4) Records must be available upon request of the Department or its authorized representative at the examination site for reading, locating and reproducing any record maintained on microfilm or microfiche.
- 5) When displayed on a microfilm or microfiche reader, viewer or reproducer, the microfilm or microfiche must exhibit legibility and readability. Legibility is defined as the quality of legibility and readability that enables the observer to positively and quickly to the exclusion of all other letters or numbers. Readability is defined as the quality of a group of letters or numbers being recognized as words or complete numbers.
- 6) The taxpayer retains the microfilm or microfiche copies as long as the contents thereof may be material in the administration of any audit by the Department (see Ill. Rev. Stat. 1985-1-10-1207, 1208, 1209).

b) Records prepared by Automated Data Processing Systems (ADP). When an ADP tax accounting system is may be used to maintain all or part of a taxpayer's records, the taxpayer must provide the records required by the Department of Financial Records. Such ADP system must include a method of producing legible and readable records which will provide the necessary information to satisfy such tax liability. If a taxpayer retains records required by the Department under Section 130.801 of this Part, in both machine-readable and hard-copy formats, the taxpayer shall make the records available to

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

the Department in machine-sensible format upon request of the Department. ADP accounting systems encompass all types of data processing systems including, but not limited to, mainframe computer systems, stand-alone or networked microcomputer systems, Database Management Systems (DBMS) and systems using electronic Data Interchange (EDI) technology. The following requirements apply to any taxpayer who maintains any such records on an ADP system:

1) Recorded--reconstructible Data--ADP records shall provide an opportunity to trace any transaction back to the original source or forward to a final result. If detailed printouts are not made or transactions as to the time they are processed, the systems must have the ability to reconstruct these transactions.

2) General--Books of account--A general ledger with source references and subsidiary indexes shall be written out to coincide with financial reports for tax reporting periods.

3) Computer--The system and auditor trail--The audit trail must be data--such as sales, purchases, inventory, and the documents--are readily available to the Department upon request.

4) Program--Documentation--A description of the ADP portion of the accounting system shall be made available--the statements--and the systems--describing the system and scope of ADP operations being performed shall be sufficiently detailed to indicate the application means performed and the procedures employed in each application--controls used to insure accurate and reliable processing--shall be noted--along with the dates and nature of important changes.

5) Data Storage--Media--Adequate record retention facilities shall be available for storing tax and ADP records required for verification of tax liability. Records required would include sales reports for input processing accounts payable accounts receivable, inventory, and sales journal entries necessary for bookkeeping and tax reporting purposes.

- 1) Definitions
 - A) "Database Management System" or "DBMS" means a software system that creates, controls, relates, retrieves and provides accessibility to data stored in a database.
 - B) "Electronic Data Interchange" or "EDI technology" means the computer-to-computer exchange of business transactions in a standardized structured electronic format.
 - C) "Machine-sensible record" means a collection of related information in an electronic format. Machine-sensible records do not include hard-copy records that are created or recorded in paper or stored in or by an internal system such as microfilm, microfiche or store-only mailing systems.
 - D) "Store-only mailing systems" means a system of computer hardware and software that provides for the storage,

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

retention, and retrieval of documents originally created on paper. It does not include any system, or part of a system, that manipulates or processes any information or data contained on the document in any manner other than to reproduce the document in hard-copy or as an optical image.

2) "Hard-copy" means any documents, records, reports or other data printed on paper.

2) Recordkeeping Requirements--Machine-Sensible Records

- A) General Requirements
 - 1) Machine-sensible records used to establish tax compliance shall be retained by the taxpayer. The retained records shall provide sufficient information to establish matters required to be known by a taxpayer for tax or information returns. The machine-sensible records shall contain sufficient transaction-level detail to establish that the details and the source documents used in the machine-sensible records can be identified and made available to the Department upon request.
 - 2) The retained records should reconcile to the books and the tax return by establishing the relationship (e.g., the audit trail) between the total of the amounts in the retained records to the totals in the books and to the tax return.
 - 3) The retained records must be capable of being processed. For purposes of this Section, "capable of being processed" means to be able to retrieve, manipulate, print hard-copy, or produce other output. This term does not encompass any requirement that the taxpayer or system that created the computer data be essential to a tax-related transaction. Taxpayers are not required to construct machine-sensible records other than those created in the ordinary course of business. A taxpayer who does not create the electronic equivalent of a traditional paper document in the ordinary course of business is not required to construct such a record for tax purposes.
 - 4) All records required to be retained under this Section shall be preserved unless the Department has provided in writing that the records are no longer required as explained in Section 170.925 of this Part.
- B) Electronic Data Interchange
 - 1) Where a taxpayer uses electronic data interchange processes and technology, the level of record detail, retention, and retrieval with other records related to the transaction, must be equivalent to the level of detail

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

contained in an acceptable paper record. For example, the retained records should contain such information as vendor name, invoice date, product description, quantity purchased, price, amount of tax, indication of tax status, shipping detail, etc. Codes may be used to identify some or all of the data elements, provided that the taxpayer provides a method which allows the Department to interpret the coded information.

- ii) The taxpayer may capture the information necessary to satisfy the requirements of this section within the accounting system used at the time the original transaction records are provided to the Department. The authenticity and integrity of the retained records can be established.

For example, a taxpayer using electronic data interchange technology receives electronic invoices from its suppliers. The taxpayer decides to retain the invoice data from completed and verified RPT transactions in its accounts payable system rather than to retain the RPT transactions themselves. Since neither the RPT transaction nor the accounts payable system capture information from the invoice pertaining to product description and vendor name (i.e., they contain only codes for that information), the taxpayer will not retain such records, such as its vendor master file and product code description lists and makes them available to the Department. In this example, the taxpayer need not retain its RPT transaction for tax purposes.

- C) Electronic Data Processing Systems Requirements. The requirements for an electronic data processing accounting system are similar to that of a manual accounting system, in that an adequately designed accounting system should incorporate methods and records that will satisfy the requirements of this section.

- 2) Recordkeeping Requirements - ADP Systems Documentation
 - A) Upon the request of the Department, the taxpayer shall provide a description of the business process that created the retained records. Such description shall include the relationship between the records and the tax documents created by the taxpayer and the measures employed to ensure the authenticity and integrity of the records.

The taxpayer shall be capable of demonstrating:

- i) the methods used to ensure the integrity of the flow of data through the system;
- ii) the internal controls used to ensure accurate and reliable processing; and

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

- iii) the internal controls used to prevent the unauthorized addition, alteration, deletion or retention of retained records.
- C) The following specific information is required for machine-sensible records pursuant to this section:

- i) record formats and layouts;
 - ii) field definitions (including the meaning of all "codes" used to represent information);
 - iii) file descriptions (e.g., data set name); and
 - iv) detailed charts of accounts and account descriptions.
- D) Any changes to the items specified in subsections (B) and (C) above, together with their effective dates, shall be documented and made available to the Department upon request.
- 4) Machine-Sensible Records Maintenance Requirements
 - A) The establishment of records management practices is solely at the discretion of the taxpayer, who ultimately bears the cost of maintaining records capable of being processed at the time production records examination by the Department. The Department recommends that source data taxpayers refer to the National Archives and Records Administration's (NARA) standards for guidance on the maintenance and storage of electronic records.
 - B) In establishing records management practices, taxpayers should consider, for example, the labeling of records, the security of the storage environment, the creation of back-up copies and their storage location and the use of periodic testing to confirm the continued integrity of the records.

- C) The NARA standards may be found at 36 CFR 1234, July 1, 1995 edition.
- D) The taxpayer's computer hardware or software shall accommodate the processing of or the extraction and conversion of retained machine-sensible records.

- 5) Access to Machine-Sensible Records. The manner in which the Department is provided access to machine-sensible records as required by subsections (B) and (C) of section 100.491(d) of this Part may be satisfied through a variety of means that shall take into account a taxpayer's record-keeping circumstances. Through consultation with the taxpayer, such access will be provided in one or more of the following manners:

- A) A taxpayer may provide the Department copies of the machine-sensible records for use on the Department's equipment;
- B) The taxpayer may arrange to provide the Department with the hardware, software and personnel resources necessary to access and process the machine-sensible records;
- C) The taxpayer may arrange for a third party to provide the hardware, software and personnel resources necessary to access and process the machine-sensible records;

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

- D) The taxpayer may convert machine-sensible records to a standard record format specified by the Department on a magnetic medium that is agreed to by the Department. This may include conversion to a different medium (e.g., from mainframe files to microcomputer disks). These records may be processed on the Department's equipment or at the taxpayer's location.
- E) The taxpayer and the Department may agree on other means of providing access to the machine-sensible records.

6) Taxpayer responsibility and discretionary authority.

- A) In determining their responsibilities under the Act, taxpayers are empowered to determine which of their records will be retained and which records may be discarded. The Department's review of a taxpayer's records will take into consideration all the facts and circumstances, including whether duplicated or redundant records exist.

- B) In general, taxpayers should retain the machine-sensible records that are the most direct evidence of the transactions, and have discretion to discard duplicated records and redundant information. In exercising this discretion, the taxpayer should generally retain those records that best facilitate the retrieval and processing of the data during an audit. For example, departmental records stored in departmental data files that are duplicated in a central system could be discarded provided that all required information in the departmental records is contained in the central system and the requirements of the Section are met. Similarly, daily or weekly data files could be discarded provided that sporadic monthly, quarterly or annual data files that incorporate the monthly, quarterly or annual data transactions are available.

- C) In conjunction with meeting the requirements of this Section, a taxpayer may create files solely for the use of the Department. For example, if a database management system is used, it is consistent with this Section for the taxpayer to create and retain a file that contains the transaction-level detail from the database management system and that meets the requirements of the Section. The taxpayer should document the process that created the separate file to show the relationship between that file and the original records.

- D) A taxpayer may contract with a third party to provide custodial or management services of the records. Such a contract shall not relieve the taxpayer of its responsibility under this Section.
- E) Alternative methods of record storage and retention. Taxpayers may convert back-copy documents received in the normal course of business and required to be retained under this

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

Section to microfilm, microfiche or other storage-only imaging systems and may discard the original hard-copy documents, provided the conditions of this Section are met. These records are not a substitute for machine-sensible records (e.g., magnetic tapes, magnetic cartridges or magnetic disks described in subsection b) of this Section. Documents which may be stored on these media include, but are not limited to, general books of account, journals, voucher registers, general and subsidiary ledgers and supporting records of details, such as sales invoices, purchase invoices, exemption certificates and credit memoranda. Microfilm, microfiche and other storage-only imaging systems shall meet the following requirements:

- 1) Documentation establishing the procedures for converting the back-copy documents to microfilm, microfiche or other storage-only imaging systems must be maintained and made available for review. Such documentation shall, at a minimum, contain sufficient descriptive information to enable documents to be followed through the conversion system as well as the original procedures established for inspection and quality assurance.
- 2) Procedures must be established for the effective identification, processing, storage and observation of the stored documents and for making them available for the periods they are required to be retained under the Retailers' Occupation Tax Act, see 35 ILCS 1201.
- 3) All data stored on microfilm, microfiche or other storage-only imaging systems must be maintained and arranged in a manner that permits the location of any particular record.

- 4) Microfilm, or microfiche or other storage-only imaging systems records are indexed, cross-referenced and labeled to show beginning and ending numbers or beginning and ending alphabetical listing of documents included, and are systematically filed to facilitate immediate location of any particular record. A working reference system is maintained and a control log or catalog of such documents must be maintained.
- 5) Upon request of the Department, a taxpayer must provide facilities and equipment in good working order for reading, locating and reproducing any documents maintained on microfilm, microfiche or other storage-only imaging systems.

- 6) When observed in such equipment or reproduced on paper, the documents must exhibit a high degree of legibility and readability. For this purpose, legibility is defined as the ability of a letter or numeral that enables the observer to identify it positively and quickly to the exclusion of all other letters or numerals. Readability is defined as the quality of a group of letters or numerals being recognized as words or complete numbers.
- 7) There is no substantial evidence that the microfilm, microfiche or other storage-only imaging systems lack authenticity or integrity.

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

d) Effect on Hard-Copy Recordkeeping Requirements

- 1) Except as otherwise provided, the provisions of this Section do not apply to the Department's responsibility to retain hard-copy records that are required by the ordinary course of business as required by existing law and regulations. Hard-copy records may be retained on a recordkeeping medium provided in subsection c).
- 2) If hard-copy records are not produced or received or required to be produced or received in the ordinary course of transacting business (i.e., when the taxpayer uses electronic data interchange technology), such hard-copy records need not be created.
- 3) Unless hard-copy records are required to be provided or received, hard-copy records generated at the time of a transaction need not be retained if all the details relating to the transaction are subsequently received by the taxpayer in an EDI transaction and are retained by the taxpayer in accordance with this Section.
- 4) Hard-copy records generated at the time of a transaction using a Section 130.805(a) card must be retained unless all the details relating to the transaction are subsequently received and retained by the taxpayer in accordance with this Section. Such details include, but may not be limited to, those listed in subsection b)(2)(B).
- 5) Computer printouts that are created for validation, control, or other temporary purposes need not be retained.
- 6) Nothing in this Section shall prevent the Department from requesting hard-copy printouts of retained machine-sensible records. These requests may be made either at the time of an examination or in conjunction with the testing described in Section 130.825 of this Part.

(Source: Amended at 20 Ill. Reg. _____, effective _____.)

Section 130.825 Department Authorization to Destroy Records Sooner Than Would Otherwise be Feasible

- a) In all cases, the Department may, in writing, authorize the destruction of books and records and other papers prior to the expiration of the periods of time during which the taxpayer is required to keep his books and records. The Department may with authorize destruction of records if the records are preserved in microfilm, microfiche, other storage-only imaging systems or an electronic data processing system and meet the conditions as prescribed in Section 130.805(a)(4)-(a)(7).
- b) Record Retention Limitation Agreements
 - 1) The Department may, at the request of the taxpayer, enter into a

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

record retention limitation agreement with a taxpayer which agreement may modify or waive any of the specific requirements of section 130.805. A taxpayer's request for such an agreement must specify which records (if any) the taxpayer proposes not to retain and provide the reasons for not retaining such records. It will be disposing any other terms of the requested agreement. The taxpayer shall remain subject to all requirements of Section 130.805 that are not modified, waived or superseded by a duly executed record retention limitation agreement.

2) The record retention limitation agreement shall be in writing and shall contain any provision through a record retention limitation agreement.

3) The record retention limitation agreement shall specifically identify which of the taxpayer's records the Department has determined are not necessary for retention and which the taxpayer may discard. The agreement shall also clearly state each authorized variance, if any, from the normal provisions of Section 130.805. The agreement shall also document other understandings reached with the Department, which may include, but not be limited to:

- A) the conversion of files created on an obsolete computer system;
 - B) restoration of lost or damaged files and the actions to be taken;
 - C) use of taxpayer computer resources.
- 4) The Department shall consider a taxpayer's request for a record retention agreement and notify the taxpayer of the Department's decision to enter into a record retention agreement or not to enter into a record retention agreement. The Department shall relieve the taxpayer of the responsibility under the Act to keep adequate and complete records necessary to a determination of tax liability.
- 5) Unless otherwise specified, an agreement shall not apply to accountants and tax systems added subsequent to the effective date of the agreement. All machine-sensible records produced by a subsequently added accountant or tax system shall be retained by the taxpayer in accordance with Section 130.805 until a new agreement is entered into with the Department.
- 6) Unless otherwise specified, an agreement shall not apply to any subsidiary or other entity that, subsequent to the effective date of a record retention limitation agreement, is acquired by the taxpayer. All machine-sensible records produced by the acquired subsidiary shall be retained pursuant to Section 130.805 and any agreement for such record retention agreement that may have been in effect for the acquisition of the subsidiary. Pre-acquisition agreement is the provisions of the predecessor record retention limitation agreement shall apply to the acquired subsidiary until rescinded or modified by the Department of a new agreement applying to the acquired subsidiary is entered into.

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

21. To evaluate the propriety of a record retention limitation agreement, the Department may conduct an evaluation of the taxpayer's record retention practices. The evaluation may include a review of the taxpayer's relevant data processing and accounting systems, including systems using electronic data interchange technology.

A) The Department shall notify the taxpayer of the results of any evaluation, including acceptance or disapproval of any records made by the taxpayer (e.g., to discard certain records) or any changes considered necessary to bring the taxpayer's practices into compliance with Section 150.5(b).

B) The Department shall evaluate the taxpayer's retention practices under this Section in order to determine the effect on the determination of tax reporting accuracy for a particular method of return. An evaluation made under this Section is not an "audit."

(Source: Amended at 20 Ill. Reg. _____, effective _____)

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

- 1) Heading of the Part: Uniform Penalty and Interest Act
- 2) Code Citation: 86 Ill. Adm. Code 700
- 3) Section Numbers:
700.300
Proposed Action:
Amendment
- 4) Statutory Authority: 35 ILCS 735/3-3 as amended by P.A. 89-379, effective January 1, 1996
- 5) A. Complete Description of the Subjects and Issues Involved: This rulemaking updates the Department's Uniform Penalty and Interest Act rules to reflect the modification of the late filing penalty (UPA Section 3-3) by P.A. 89-379. The rules are amended to explain that effective January 1, 1996 the legislation provided that the late filing penalty became a two tier penalty. The first tier penalty is equal to 1/2% of the tax required to be shown on the return up to the amount of \$250. The second tier penalty is equal to 1/2% of any remaining tax required to be shown on the return after notice of non-filing issued by the Department on an additional, second tier penalty shall be imposed, equal to the greater of \$250 or 2% of the tax shown on the return. This additional penalty is capped by law at \$5,000. The rulemaking sets forth these statutory changes, and provides examples of the operation of these provisions.
- 6) Will this proposed rule replace an emergency rule currently in effect? No
- 7) Does this rulemaking contain an automatic repeal date? No
- 8) Does this proposed amendment contain incorporations by reference? No
- 9) Are there any other proposed amendments pending on this Part? No
- 10) Statement of Statewide Policy Objectives: This rulemaking does not create a state mandate. This rulemaking does not modify any existing state mandates.
- 11) Time, place and manner in which interested persons may comment on this proposed rulemaking: Persons who wish to submit comments on this proposed rule may submit them in writing by no later than 45 days after publication of this notice to:

Keith Staats
Associate Chief Counsel (Income Tax)
Illinois Department of Revenue
Legal Services Office
101 West Jefferson
Springfield, Illinois 62708
Phone: (217) 782-7095

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

12) Initial Regulatory Flexibility Analysis:

- A) Types of small businesses affected: Any small business that files a tax return late.
- B) Reporting, bookkeeping, or other procedures required for compliance: No additional reporting, bookkeeping or other procedures are required.
- C) Types of professional skills necessary for compliance: None

13) Regulatory agenda on which this rulemaking was summarized: January 1996

The full text of the proposed Amendment(s) begins on the next page:

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

TITLE 86: REVENUE

CHAPTER I: DEPARTMENT OF REVENUE

PART 700

UNIFORM PENALTY AND INTEREST ACT

SUBPART A: SCOPE AND APPLICATION OF THE ACT

Section Scope of the Act and this Part
700.100 Application of the Provisions of the Act and this Part
700.110

SUBPART B: INTEREST

700.200 Interest Paid and Interest Charged
700.210 Interest Rate Calculation
700.220 Interest Charged Taxpayers
700.230 Interest Paid Taxpayers on Overpayments

SUBPART C: PENALTIES

700.300 Penalty for Late Filing or Failure to File and Penalty for Late Payment of Tax
700.310 Penalty for Failure to File Correct Information Returns
700.320 Penalty for Negligence
700.330 Penalty for Fraud
700.340 Personal Liability Penalty

SUBPART D: REASONABLE CAUSE

700.400 Reasonable Cause

SUBPART E: PAYMENT APPLICATION

700.500 Payment Application

AUTHORITY: Implementing the Uniform Penalty and Interest Act (35 ILCS 735), and authorized by Section 39b3 of the Civil Administrative Code of Illinois (20 ILCS 2502/39b3).

SOURCE: Adopted at 18 Ill. Reg. 1561, effective January 13, 1994; amended at 19 Ill. Reg. 1309, effective February 6, 1995; amended at 20 Ill. Reg. _____, effective _____.

SUBPART C: PENALTIES

Section 700.300 Penalty for Late Filing or Failure to File and Penalty for

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

Late Payment of Tax

- a) Late filing penalty for original returns due prior to January 1, 1996. A penalty of 5% of the tax required to be shown due on a return shall be imposed for failure to file the tax return on or before the due date prescribed for filing determined with regard for any extension of time for filing penalty for late filing or nonfiling.

1) If any unprocessable return is corrected and filed within 21 days after notice by the Department the late filing or nonfiling penalty shall not apply. (Section 3-1(a) of the Act). The unprocessable return must have been filed on or before the due date prescribed for filing of that return, with regard for any extension of time for filing determined with regard for any extension of time for filing penalty for late filing or nonfiling, to avoid the 5% penalty by the late filing of an unprocessable return which is then corrected within 21 days of notice by the Department.

2) A return, for purposes of the imposition of this penalty, is any return required by a tax Act to be filed with the Department that is not an information return as that term is defined in Section 3-4(c) of the Act.

EXAMPLE 1: A withholding agent files Form 15-941 (Employer's Quarterly Illinois Withholding Tax Return) for third quarter 1994 on November 1, 1994. The total Illinois tax withheld is \$500,000. The form was due on October 31, 1994. A late payment filing penalty is imposed as follows: Total Illinois tax withheld (\$500,000) times the 5% late filing penalty equals \$25,000.

EXAMPLE 2: A withholding agent files Form 15-W-3 (Secondarily Taxed Income and Trust Income) for Withheld and Accumulated Income and Trust Income for tax year 1993 on March 15, 1994. The total Illinois tax withheld is \$1,000,000. The form was due on February 28, 1994. A late filing penalty is imposed as follows: Total Illinois tax withheld (\$1,000,000) times the 5% late filing penalty is \$50,000.

3) If a penalty for late filing or nonfiling is imposed in addition to a penalty for late payment, the total penalty due shall be the sum of the late filing penalty and the applicable late payment penalty (Section 3-1(a) of the Act).

- b) Late filing penalty for original returns due on and after January 1, 1996

1) A penalty equal to 7% of the tax required to be shown due on a return, up to a maximum amount of \$50, determined without regard to any part of the tax that is paid on time or by any credit that is allowed, shall be imposed on a return which is not filed on or before the due date prescribed for filing the return on or before the due date prescribed for filing determined with regard

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

for any extension of time for filing

EXAMPLE 1: Your Form 971-1 is due by April 20, but you file it on May 17. The tax shown due on your return is \$2,000. You timely paid the full \$2,000 in accelerated tax payments. We notify you that you owe a penalty of \$10 (2% x \$2,000 = \$40; \$40 is less than \$50, therefore you owe \$40) and \$10 interest because you did not file your return by the April 20 due date. If you do not pay the \$10 penalty and interest within 30 days after the date of our notice, additional interest will accrue on the \$10 penalty.

EXAMPLE 2: Your Form 10-910 is due by April 15, but you file it on November 31 after the extended due date. The tax shown due on your return is \$1,500. Your employer withheld \$1,500 in Illinois income tax and you timely paid it. We notify you that you owe a penalty of \$10 (2% x \$1,500 = \$30; \$30 is less than \$50, therefore you owe \$30) and \$10 interest because you did not file your return by the due date. We reduce your refund by the \$10 penalty and issue you a check for \$70.

EXAMPLE 3: Your Form RM-1 is due by September 30, but you do not file it. We send you a notice of nonfiling asking you to respond within 30 days. You file your return 25 days after our notice and pay the total tax due of \$18,500. We notify you that you owe a penalty of \$750 (2% x \$18,500 = \$370; \$370 is greater than \$250, therefore you owe \$250) and interest because you did not file your return by the September 30 due date.

EXAMPLE 4: Your Form 10-120 is due by March 15, but you file it on December 30 after the extended due date. The tax shown due on your return is \$1,125. Your employer withheld \$1,125 in Illinois income tax and you timely paid it. We notify you that you owe a penalty of \$1,125 (10% x \$1,125 = \$1,125; \$1,125 is less than \$150, therefore you owe \$150) and \$150 interest because you did not file your return by the due date. We reduce your refund by \$150 and issue you a check for \$132.50.

2) If any return is not filed within 30 days after notice of nonfiling mailed by the Department to the last known address of the taxpayer contained in Department records, an additional penalty amount shall be imposed equal to one-fifth of 1% of the tax shown on the return on or after the date the return is filed. If the return is filed on or after the date the return is filed to any part of the tax that is paid on the date the return

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

was required to be filed (penalty for late filing or nonfiling).

EXAMPLE: Your Form 11-1 is due by September 30, but you do not file it. We send you a notice of nonfiling asking you to respond within 30 days. You file your return 45 days after our notice and pay the total tax due of \$18,500. You owe a penalty of \$250 (2% x \$12,500 = \$250; \$270 is greater than \$250, therefore you owe \$270) and interest because you did not file your return by the September 30 date. You also owe an additional penalty of \$170 (2% x \$18,500 = \$370; \$370 is greater than \$250 and less than \$5,000, therefore you owe \$370) and interest because you did not respond within 30 days after our notice. Your total penalties for late filing are \$620 (\$250 + \$370 = \$620). You will also owe a late payment penalty for not paying your tax by the due date. Interest will continue to accrue on unpaid tax and late payment until you fully pay the total amount you owe.

3) If any unprocessable return was filed within 30 days after notice by the Department and the return was not filed on or before the due date prescribed for filing of that return, with regard for any extension of filing, in other words, a taxpayer may not attempt to avoid the penalty by the late filing if an unprocessable return which is then corrected within 30 days after notice by the Department.

4) In the case of any type of tax return required to be filed more frequently than annually, when the failure to file the tax return on or before the date prescribed for filing (including any extensions) is shown to be nonfraudulent and no other failure to file has occurred in the two years immediately preceding the failure to file on the prescribed due date, the penalty imposed by Section 3-13(a) shall be abated. This two-year "good filing history" abatement is effective for returns due in and after January 1, 1998.

5) A penalty of 15% of the tax due or the tax required to be shown due on the return shall be assessed before the 1) the tax shown due on the return on or before the date prescribed for payment of that tax, an amount of underpayment of estimated tax, or an amount that is reported in an amended return other than an amended return timely filed as required by subsection b) of Section 5-6 of the Illinois Income Tax Act (penalty for late payment or nonpayment of admitted liability); or

EXAMPLE 1: Your Form 11-1220 is due by March 15. You timely file your return on March 15, but you only made your first estimated payment of \$317.50. You were required to make four estimated payments. The total tax shown due on your return is \$1,500. You pay the remaining \$1,182.50 you

DEPARTMENT OF REVENUE

NOTICE OF PROPOSED AMENDMENTS

one with your return. We notify you that you owe a penalty of \$18.88 (\$1,500 tax x 3% x 30% required to be paid timely = \$1,500 to be made in four equal installments, \$375.00 divided by 4 = estimated payments, \$375.00 per payment x 30% = \$112.50 x 4 = \$450.00). The estimated tax that was due \$1,012.50 x 10% = \$101.25. The late payment penalty and interest because you did not pay the required amount due for each estimated payment. If you do not pay the \$18.88 penalty and interest within 30 days after our notice, additional interest will accrue on the penalty.

EXAMPLE 2: Same facts as in Example 1 above except that your return was timely filed between March 15 and October 15 and you paid the remaining \$180 tax you owed with your return. In this situation, your return was timely filed by virtue of the automatic extension for filing, but you owe a late payment penalty on the \$150 paid with the return because that amount of tax was not paid on or before the original due date of the return. There would be an additional penalty as prescribed by 27(a) Section 3-13(a) of \$22.50 (\$150 x 15%) and \$22.50 x 32% = \$7.20 for failure to pay the total of \$300 (\$150 + \$150) for failure to pay the full amount of any tax required to be shown due on a return and which is not shown penalty for late payment or nonpayment of additional liability, within 10 days after a notice of arithmetic error, notice and demand, or a final assessment is issued by the Department. In the case of a final assessment arising following a protest and hearing, the 10 21-day period shall not begin until all proceedings in court for review of the final assessment have terminated or the period for obtaining a review has expired without proceedings for a review having been instituted. In the case of a notice of tax liability that becomes a final assessment without a protest and hearing, the penalty provided in this section shall be imposed at the expiration of the period provided for the filing of a protest. Section 3-13(b) of the Act) the 30-day period for providing payment in response to delinquent notices and final assessments is effective for notices and assessments issued on or after January 1, 1998. Payments must be second notices and assessments issued prior to January 1, 1998 within 30 days.

EXAMPLE 3: Your Form 37-1 is due by August 30. You timely file your return but do not pay the \$10,750 tax shown due until September 27. We notify you that you owe a penalty of \$1,612.50 (15% x \$10,750 = \$1,612.50) and interest. If you do not pay the \$1,612.50 penalty and interest within 30 days after the date of our notice, additional interest will accrue on the penalty.

dict for purposes of the late payment penalties, the basis of the penalty shall be the tax shown or required to be shown on the return, whichever is applicable, reduced by any part of the tax which is paid on time and by any credit which was properly allowable on the date the return was required to be filed. (Section 3-3(c) of the Act) The amount of this late payment penalty, unlike some late payment penalties that were imposed prior to the adoption of the Uniform Penalty and Interest Act, does not change over time. The late payment penalty is the same whether payment is one day late, or one year late.

Eight A penalty shall be applied to the tax required to be shown even if that amount is less than the tax shown on the return. (Section 3-3(d) of the Act)

EXAMPLE: A renter of automobiles for periods of one year or less, has tax due under the Automobile Renting Occupation and Use Tax for the rental receipts received during the month of June 1994 on July 20, 1994. The tax shown on the return filed on July 20, 1994 is \$500, but the taxpayer remits no payment of the tax when the return is filed. On August 1, 1994 the taxpayer files an amended return reducing tax liability to \$400 and also remits \$100. Assuming that the \$400 amount shown on the amended return is correct, the taxpayer owes a late payment penalty on \$100, the amount required to be shown on the original return, not the \$500 amount that was shown on the original return.

Eight If both a subsection (b)(1) penalty and a subsection (b)(2) penalty are assessed against the taxpayer on the same return, the penalty shall be assessed against only the additional tax found to be due. (Section 3-3(e) of the Act)

EXAMPLE: A withholding tax agent has tax due for the third quarter of 1994. The return is filed timely, with tax withheld of \$20,000, but on time payments only equal \$15,000 leaving a tax balance due of \$5,000. The late payment penalty applicable on November 1, 1994 is \$750. Full payment of tax is made on March 15, 1995. On October 1, 1997, an audit is completed increasing tax to \$30,000. Additional late payment penalty is \$1500 (\$30,000 minus the original \$20,000 equals \$10,000 tax due times 15% equals \$1500 late payment penalty). The total late payment penalty is \$2250.

Eight If the taxpayer has failed to file the return, the Department shall determine the correct tax according to its best judgment and assessment, which amount shall be deemed to be the correct tax.

Eight The time within which to file a return or pay an amount of tax, without imposition of a penalty does not extend the time within which to file a protest to a notice of tax liability or a notice of deficiency. (Section 3-3(g) of the Act)

(Source: Amended at 20 Ill. Reg. _____, effective _____)

DEPARTMENT OF STATE POLICE MERIT BOARD

NOTICE OF PROPOSED AMENDMENT

- 1) Heading of the Part: Procedures of the Department of State Police Merit Board
- 2) Code Citation: 80 Ill. Adm. Code 150
- 3) Section Numbers: Proposed Action:
150.220 Amendment
- 4) Statutory Authority: [20 ILCS 3610.9].
- 5) A Complete Description of the Subjects and Issues Involved:

Section 150.220 - Polygraphy testing on applicants has previously been done by the Illinois State Police. The Merit Board will now administer this testing along with the rest of the applicant selection process with the exception of the medical examination which is now being administered by the Illinois State Police.

- 6) Will this rulemaking replace any emergency rulemaking currently in effect?
Yes

Section Numbers Proposed Action Illinois Register Citation
150.220 Amendment 2 Ill. Reg. 502

- 7) Does this rulemaking contain an automatic repeal date? No

- 8) Does this rulemaking contain incorporations by reference? No

- 9) Are there any other proposed rulemakings pending on this Part? No

- 10) Statement of Statewide Policy Objectives: This amendment does not create or expand a State Mandate as defined in Section 3(b) of the State Mandates Act (30 ILCS 805.3(b))

- 11) Time, Place and Manner in which interested persons may comment on this proposed rulemaking: Interested persons may submit written comments to:

Mr. James E. Seiber, Executive Director
Department of State Police Merit Board
1800 North Lake Shore Drive, Suite 100
Springfield, Illinois 62703
217/786-5240

within 45 days after this issue of the Illinois Register.

- 12) Initial Regulatory Flexibility Analysis: The Department of State Police Merit Board has determined that this rulemaking will not affect small businesses.

DEPARTMENT OF STATE POLICE MERIT BOARD

NOTICE OF PROPOSED AMENDMENT

- 13) Regulatory Agenda on which this rulemaking was summarized: This rule was not included on either of the 2 most recent agendas because: This rulemaking was unanticipated at the time of the two most recent regulatory agendas.

The full text of the Proposed Amendment begins on the next page:

DEPARTMENT OF STATE POLICE MERIT BOARD

NOTICE OF PROPOSED AMENDMENT

TITLE 80: PUBLIC OFFICIALS AND EMPLOYEES
SUBTITLE A: MERIT EMPLOYMENT SYSTEMS
CHAPTER IV: DEPARTMENT OF STATE POLICE MERIT BOARD

PART 150

PROCEDURES OF THE DEPARTMENT OF STATE POLICE MERIT BOARD

SUBPART A: DEFINITIONS

Section
150.10

Definitions

SUBPART B: CERTIFICATION FOR APPOINTMENT

Section
150.20
150.210
150.220
150.230
150.240

Qualifications
Selection Procedures
Recertification
Probationary Period

SUBPART C: CLASSIFICATION OF RANKS

Section
150.310
150.320

Ranks
Interdivisional Transfers

SUBPART D: CERTIFICATION FOR PROMOTION

Section
150.410
150.420
150.430
150.440

Board Responsibilities
Eligibility
Form and Content of Petition for Review
Promotion Probationary Period (Repealed)

SUBPART E: DISCIPLINARY ACTION

Section
150.510
150.520
150.530
150.540
150.550
150.560
150.570
150.580
150.585

Merit Board Jurisdiction
Discipline Afforded the Deputy Director
Notification to Suspended Officer
Petition for Review
Form and Content of Petition for Review
Filing Procedures
Procedure for Processing Petition for Review
Discipline Afforded the Director
Complaint Procedures
Scheduling the Hearing

DEPARTMENT OF STATE POLICE MERIT BOARD

NOTICE OF PROPOSED AMENDMENT

150.590 Notification to Officer

SUBPART F: HEARINGS

Section

150.610 Board Docket
150.620 Hearing Officer
150.630 Pre-hearing Conferences
150.640 Motions
150.650 Subpoenas
150.655 Request for Witnesses or Documents
150.660 Evidence Depositions
150.665 Hearing Procedures
150.670 Continuances and Extensions of Time
150.675 Computations of Time
150.680 Decisions of the Board
150.685 Service and Form of Papers

APPENDIX A

Vision Standards

APPENDIX B

Physical Fitness Standards

AUTHORITY: Implementing Sections 3 through 14 and authorized by Section 8 of the State Police Act [20 ILCS 2610/3 through 14].

SOURCE: Emergency rule adopted at 2 ill. Reg. 10, p. 206, effective February 24, 1978, for a maximum of 150 days; emergency amendment at 2 ill. Reg. 32, p. 37, effective July 27, 1978, for a maximum of 150 days; emergency amendments at 2 ill. Reg. 51, p. 100, effective December 7, 1978, for a maximum of 150 days; adopted at 2 ill. Reg. 52, p. 422, effective December 25, 1978, amended at 3 ill. Reg. 47, p. 86, effective November 13, 1979; emergency amendment at 4 ill. Reg. 67, p. 284, effective February 1, 1980, for a maximum of 150 days; amended at 5 ill. Reg. 2739, effective March 2, 1981; amended at 6 ill. Reg. 10954, effective August 2, 1981, codified at 7 ill. Reg. 18509, amended at 7 ill. Reg. 15018, effective November 1, 1983, for a maximum of 150 days; emergency amendment effective December 27, 1983, for a maximum of 150 days; emergency amendment at 8 ill. Reg. 3038, effective February 23, 1984, for a maximum of 150 days; amended at 8 ill. Reg. 7894, effective May 23, 1984; amended at 9 ill. Reg. 3721, effective March 13, 1985; amended at 9 ill. Reg. 14328, effective September 6, 1985; recodified from the Department of Law Enforcement Merit Board to the Department of State Police Merit Board pursuant to Executive Order 85-3, effective July 1, 1985, at 10 ill. Reg. 12437, amended at 10 ill. Reg. 17752, effective October 1, 1986; amended at 11 ill. Reg. 7760, effective April 14, 1987; amended at 11 ill. Reg. 18303, effective October 5, 1987; amended at 12 ill. Reg. 1118, effective December 24, 1987; amended at 12 ill. Reg. 10736, effective June 13, 1988; amended at 13 ill. Reg. 5201, effective April 3, 1989; emergency amendment at 13 ill. Reg. 16607, effective September 29, 1989, for a maximum of 150 days; amended at 13 ill. Reg. 19522, effective December 1, 1989; amended at 14 ill. Reg. 3679, effective February 23, 1990; amended at 15 ill.

DEPARTMENT OF AGING

NOTICE OF ADOPTED AMENDMENTS

- 13) Will this amendment replace an emergency amendment currently in effect? No
- 14) Are there any proposed amendments pending on this part? Yes

Section Number Proposed Action Illinois Register Citation

240.810 Emergency April 5, 1996 (20 Ill. Reg. 5388)

240.810 Amendment April 5, 1996 (20 Ill. Reg. 5104)

240.830 Amendment May 17, 1996 (20 Ill. Reg. 5613)

240.870 Amendment May 17, 1996 (20 Ill. Reg. 5613)

240.1950 Amendment May 17, 1996 (20 Ill. Reg. 5613)

15) Summary and Purpose of Amendment(s):

The purpose of this rulemaking is to implement Public Act 89-0021 which mandates the Illinois Department on Aging screen all nursing facility applicants 60 years of age or older through the Community Care Program, regardless of the type of payment.

Universal nursing facility prescreening will provide all nursing facility applicants with counseling and referral on alternative services and continue to allow them to retain the right to choose nursing facility admission even if they fail the determination of need screen and nursing facility care is not recommended.

16) Information and questions regarding this adopted amendment shall be directed to:

Ms. Pamela W. Palmer, Assistant
Office of General Counsel
Illinois Department on Aging
421 East Capitol Avenue 4100
Springfield, IL 62701-1789
(217) 785-3346

The full text of the Adopted Amendment(s) begins on the next page:

DEPARTMENT OF AGING

NOTICE OF ADOPTED AMENDMENTS

TITLE 89: SOCIAL SERVICES
CHAPTER II: DEPARTMENT ON AGING

PART 240

COMMUNITY CARE PROGRAM

SUBPART A: GENERAL PROGRAM PROVISIONS

Section
240.100 Community Care Program
240.110 Department Prerequisite
240.120 Services Provided
240.130 Maintenance of Effort
240.130 Program Limitations
240.140
240.150 Completed Applications Prior to August 1, 1992 (Repealed)
240.160 Definitions

SUBPART B: SERVICE DEFINITIONS

Section
240.210 Homemaker Service
240.220 Chore-Housekeeping Service (Repealed)
240.230 Adult Day Care Service
240.240 Information and Referral
240.250 Demonstration/Research Projects
240.260 Respite Services
240.270 Alternative Provider
240.280 Individual Provider

SUBPART C: RIGHTS AND RESPONSIBILITIES

Section
240.300 Applicant/Client Rights and Responsibilities
240.310 Right to Apply
240.320 Nondiscrimination
240.330 Freedom of Choice
240.340 Confidentiality/Safeguarding of Case Information
240.350 Applicant/Client/Authorized Representative Cooperation
240.360 Reporting Changes
240.370 Voluntary Repayment

SUBPART D: APPEALS

Section
240.400 Appeals and Fair Hearings
240.405 Representation
240.410 When the Appeal May Be Filed
240.415 What May Be Appealed

DEPARTMENT OF AGING

NOTICE OF ADOPTED AMENDMENTS

240.420	Group Appeals
240.425	Informal Review
240.430	Informal Review Findings
240.435	Withdrawing an Appeal
240.440	Examining Department Records
240.445	Hearing Officer
240.450	The Hearing
240.451	Continuance of the Hearing
240.455	Portmoneut
240.460	Dismissal Due to Non-Appearance
240.465	Rescheduling the Appeal Hearing
240.470	Recommendations of Hearing Officer
240.475	The Appeal Decision
240.480	Reviewing the Official Report of the Hearing
240.485	

SUBPART E: APPLICATION

Section	
240.510	Application for Community Care Program
240.520	Who May Make Application
240.530	Date of Application
240.540	Statement to be Included on Application

SUBPART F: ELIGIBILITY

Section	
240.600	Eligibility Requirements
240.610	Establishing Eligibility
240.620	Home Visit
240.630	Determination of Eligibility
240.640	Eligibility Decision
240.650	Continuous Eligibility
240.655	Frequency of Redeterminations
240.660	Extension of Time Limit

SUBPART G: NON-FINANCIAL REQUIREMENTS

Section	
240.710	Age
240.715	Determination of Need
240.720	Clients Prior Effective Date of this Section (Repealed)
240.725	Clients After Effective Date of this Section (Repealed)
240.730	Emergency Budget: Act Reduction (Repealed)
240.735	Minimum Score Requirements
240.740	Maximum Payment Levels for Service
240.745	Maximum Payment Levels for Adult Day Care Service
240.750	Plan of Care

DEPARTMENT OF AGING

NOTICE OF ADOPTED AMENDMENTS

240.735	Supplemental Information
240.740	Assessment of Need
240.750	Citizenship
240.755	Residence
240.760	Furnishing of Social Security Number

SUBPART H: FINANCIAL REQUIREMENTS

Section	
240.800	Financial Factors
240.810	Assets
240.815	Exempt Assets
240.820	Asset Transfers
240.825	Income
240.830	Unearned Income Exemptions
240.835	Earned Income
240.840	Potential Retirement, Disability and Other Benefits
240.845	Spouse's Income
240.850	Monthly Average Income
240.855	Applicant/Client Expense for Care
240.860	Change in Income
240.865	Application For Medical Assistance (Medical)
240.870	Determination of Applicant/Client Monthly Expense for Care
240.875	Client Responsibility

SUBPART I: DISPOSITION OF DETERMINATION

Section	
240.905	Prohibition of Institutionalized Individuals From Receiving Community Care Program Services
240.910	Written Notification
240.915	Service Provision
240.920	Reasons for Denial
240.925	Frequency of Redeterminations (Renumbered)
240.930	Dispensation of Services
240.935	Discontinuation of Services to Clients
240.940	Penalty Payments
240.945	Notification
240.950	Reasons for Termination
240.955	Reasons for Reduction or Change

SUBPART J: SPECIAL SERVICES

Section	
240.1010	Nursing Facility Screening Home-Prescreening
240.1020	Interim Services
240.1040	Intense Service Provision
240.1050	Temporary Service Increase

DEPARTMENT OF AGING

NOTICE OF ADOPTED AMENDMENTS

SUBPART K: TRANSFERS

Section	Individual Transfer Request - Vendor to Vendor - No Change in Service
240.1110	
240.1120	Individual Transfer Request - Vendor - With Change in Service
240.1130	Individual Transfers - Case Coordination Unit to Case Coordination Unit
240.1140	Transfer of Pending Applications
240.1150	Interagency Transfers
240.1160	Temporary Transfers - Case Coordination Unit to Case Coordination Unit
240.1170	Caseload Transfer - Vendor to Vendor
240.1180	Caseload Transfer - Case Coordination Unit to Case Coordination Unit

SUBPART L: ADMINISTRATIVE SERVICE CONTRACT

Section	Administrative Service Contract
240.1210	

SUBPART M: CASE COORDINATION UNITS AND VENDORS

Section	Standard Contractual Requirements for Case Coordination Units and Vendors
240.1310	
240.1320	Vendor or Case Coordination Unit Fraud/Illegal or Criminal Acts
240.1330	General Vendor and CCU Responsibilities (Repealed)
240.1396	Payment for Services (Repealed)
240.1397	Purchases and Contracts (Repealed)
240.1398	Safeguarding Case Information (Repealed)
240.1399	Suspension/Termination of a Vendor or Case Coordination Unit (CCU)

SUBPART N: CASE COORDINATION UNITS

Section	Community Case Program Case Management
240.1400	
240.1410	Case Coordination Unit Administrative Minimum Standards
240.1420	Case Coordination Unit Responsibilities
240.1430	Case Management Staff Positions, Qualifications and Responsibilities
240.1440	Training Requirements for Case Management Supervisors and Case Managers

SUBPART O: PROVIDERS

Section	Provider Administrative Minimum Standards
240.1500	Provider Responsibilities

DEPARTMENT OF AGING

NOTICE OF ADOPTED AMENDMENTS

240.1530	General Homekeeper Staffing Requirements
240.1535	Homekeeper Staff Positions, Qualifications and Responsibilities
240.1540	General Chore-Housekeeping Staffing Requirements (Repealed)
240.1545	Chore-Housekeeping Staff Positions, Qualifications and Responsibilities (Repealed)
240.1550	Standard Requirements for Adult Day Care Providers
240.1555	Adult Day Care Staffing Requirements
240.1560	Adult Day Care Staffing Positions, Qualifications and Responsibilities
240.1565	Adult Day Care Staffing Sites
240.1570	Service Availability Expansion
240.1575	Adult Day Care Site Relocation
240.1580	Standards for Alternative Providers
240.1590	Standard Requirements for Individual Provider Services

SUBPART P: PROVIDER PROCUREMENT

Section	Provider Contract
240.1600	
240.1605	Procuring Provider Services
240.1610	Procurement Cycle for Provider Services
240.1615	Assurance of Provider Proposal and Guidelines
240.1620	Content of Provider Proposal and Guidelines
240.1625	Cost Number of Provider Contracts Awarded
240.1630	Evaluation of Proposals
240.1635	Determination and Notification of Provider Awards
240.1640	Objection to Procurement Action Determination
240.1650	Classification of Provider Service Violation
240.1655	Method of Identification of Provider Service Violations
240.1660	Compliance Reviews of Contracted Provider Agencies
240.1661	Provider Right to Appeal
240.1665	Contract Actions for Failure to Comply with Community Case Program Requirements

SUBPART Q: CASE COORDINATION UNIT PROCUREMENT

Section	Procurement Cycle for Case Management Services
240.1710	
240.1720	Case Coordination Unit Compliance Review

SUBPART R: ADVISORY COMMITTEE

Community Case Program (CCP) Advisory Committee
Technical Rate Review Advisory Committee (Repealed)

SUBPART S: RATES

Section

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: Pay Plan
- 2) Code Citation: 80 Ill. Adm. Code 310
- 3) Section Number: 310. Appendix A, Table AA
Adopted Action:
Amended
- 4) Statutory Authority: Authorized by Section 8 and 8a of the Personnel Code (20 ILCS 415.8 and 9a).
- 5) Effective Date of Rulemaking: June 26, 1996
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) Date Filed in Agency's Principal Office: June 26, 1996
- 9) Notice of Proposal Published in Illinois Register: March 15, 1996, 20 Ill. Reg. 4391
- 10) Has JCPR issued a Statement of Objections to these rules? No
- 11) Difference(s) between proposal and final version: None
- 12) Have all the changes agreed upon by the agency and JCPR been made as indicated in the agreement letter issued by JCPR? Yes
- 13) Will this rulemaking replace an emergency rule currently in effect? No
- 14) Are there any amendments pending on this Part? Yes

Section Numbers	Proposed Action	Illinois Register Citation
310.50	Amended	20 Ill. Reg. 5104 (April 5, 1996)
310.70	Amended	20 Ill. Reg. 5104 (April 5, 1996)
310.100	Amended	20 Ill. Reg. 5104 (April 5, 1996)
310.110	Amended	20 Ill. Reg. 5104 (April 5, 1996)
310.280	Amended	20 Ill. Reg. 5104 (April 5, 1996)
310.480	Amended	20 Ill. Reg. 5104 (April 5, 1996)
310.490	Amended	20 Ill. Reg. 5104 (April 5, 1996)
310.500	Amended	20 Ill. Reg. 5104 (April 5, 1996)
310. Appendix A, Table F	Amended	20 Ill. Reg. 5104 (April 5, 1996)
310.130	Amended	20 Ill. Reg. 5105 (April 12, 1996)

- 15) Summary and Purpose of Rulemaking: In Section 310, Table AA, the Teamsters' Local NR-316 negotiated a new Professional/Technical salary

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF ADOPTED AMENDMENTS

schedule increasing the maximum of the ranges by \$75 to \$170, effective July 1, 1995; and increasing the minimum of the ranges by \$30 to \$50, effective January 16, 1996, as shown below:

Class Title	Minimum Salary	Minimum Salary	Maximum Increased by
Cartographer III	2535	4535	\$155
Civil Engineer I	2470	3870	\$50
Civil Engineer II	2530	3930	\$50
Civil Engineer III	2600	4000	\$170
Civil Engineer Trainee	2115	3250	\$95
Engineering Technician I	2380	3585	\$100
Engineering Technician II	1630	2630	\$200
Engineering Technician III	2275	3535	\$200
Engineering Technician IV	2560	3795	\$165
Technical Manager I	1955	3495	\$105

Minimum Increased by
\$155

Cartographer III	2585	4535	\$50
Civil Engineer I	2570	3870	\$50
Civil Engineer II	2685	4390	\$55
Civil Engineer III	2360	4315	\$50
Civil Engineer Trainee	2365	3250	\$50
Engineering Technician I	1420	2585	\$30
Engineering Technician II	1730	3100	\$35
Engineering Technician III	2120	3695	\$45
Engineering Technician IV	2605	4795	\$55
Technical Manager I	1995	3485	\$40

16) Information and questions regarding this adopted amendment shall be directed to:

Mr Michael Murphy
Department of Central Management Services
Division of Technical Services
504 William G. Stratton Building
Springfield, IL 62706
(217) 782-5601

The full text of the Adopted Amendment begins on the next page:

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF ADOPTED AMENDMENTS

TITLE 80. PUBLIC OFFICIALS AND EMPLOYEES
SUBTITLE B. PERSONNEL RULES, PAY PLANS, AND
POSITION CLASSIFICATIONS

CHAPTER 1: DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

PART 310
PAY PLAN

SUBPART A: NARRATIVE

Section	Policy and Responsibilities
310.20	Jurisdiction
310.30	Objectives
310.40	Pay Schedules
310.50	Definitions
310.60	Conversion of Base Salary to Pay Period Units
310.70	Implementation of Base Salary to Daily or Hourly Equivalents
310.80	Annual Merit Increase
310.90	Decreases in Pay
310.100	Other Pay Provisions
310.110	Implementation of Pay Plan Changes for Fiscal Year 1996
310.120	Interpretation and Application of Pay Plan
310.130	Effective Date
310.140	Reinstitution of Within Grade Salary Increases
310.150	Fiscal Year 1985 Pay Changes in Schedule of Salary Grades, Effective July 1, 1984 (Repealed)

SUBPART B: SCHEDULE OF RATES

Section	Introduction
310.205	Prevailing Rate
310.210	Negotiated Rate
310.220	Hourly Rate
310.230	Hourly Rate Daily or Hourly Special Services Rate
310.240	Member Patient and Inmate Rate
310.250	Trainee Rate
310.260	Legislated and Contracted Rate
310.270	Designated Rate
310.280	Out-of-State or Foreign Service Rate
310.290	Educator Schedule for RC-363 and SM-010
310.300	Physician Specialist Rate
310.310	Annual Compensation Ranges for Executive Director and Assistant Executive Director, State Board of Elections
310.320	Excluded Classes Rate (Repealed)

SUBPART C: MERIT COMPENSATION SYSTEM

Section	
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DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF ADOPTED AMENDMENTS

Jurisdiction
Objectives

RESPONSIBILITIES

MERIT COMPENSATION SALARY SCHEDULE

PROCEDURES FOR DETERMINING ANNUAL MERIT INCREASES

INTERMITTENT MERIT INCREASE

MERIT ZONE

OTHER PAY INCREASES

ADJUSTMENT

DECREASES IN PAY

OTHER PAY PROVISIONS

PUBLIC SERVICE ADMINISTRATOR CLASS SERIES

DEFINITIONS

CONVERSION OF BASE SALARY TO PAY PERIOD UNITS

IMPLEMENTATION OF BASE SALARY TO DAILY OR HOURLY EQUIVALENTS

ANNUAL MERIT INCREASE

FISCAL YEAR 1985 PAY CHANGES IN MERIT COMPENSATION SYSTEM, EFFECTIVE JULY 1, 1984 (REPEALED)

APPENDIX A

NEGOTIATED RATES OF PAY

TABLE A

TABLE B

TABLE C

TABLE D

TABLE E

TABLE F

TABLE G

TABLE H

TABLE I

TABLE J

TABLE K

TABLE L

TABLE M

TABLE N

TABLE O

TABLE P

TABLE Q

TABLE R

TABLE S

TABLE T

TABLE U

TABLE V

TABLE W

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF ADOPTED AMENDMENTS

Section 310 APPENDIX A Negotiated Rates of Pay

Section 310 TABLE AA NN-916 (Department of Natural Resources, Teamsters)

Effective: July 1, 1995 June-27-1995

	Minimum Salary	Maximum Salary
Cartographer III	2535	4335 4369
Civil Engineer I	2470	3870 3919
Civil Engineer II	2630	4330 4469
Civil Engineer III	2900	4915 4949
Civil Engineer Trainee	2315	3250 3255
Engineering Technician I	1390	2585 2619
Engineering Technician II	1695	3100 3119
Engineering Technician III	2075	3635 3669
Engineering Technician IV	2380	4735 4699
Technical Manager I	1955	3885 3889

Effective: January 16, 1996

	Minimum Salary	Maximum Salary
Cartographer III	2595	4535
Civil Engineer I	2320	3870
Civil Engineer II	2685	4300
Civil Engineer III	2960	4915
Civil Engineer Trainee	2365	3250
Engineering Technician I	1420	2585
Engineering Technician II	1710	3100
Engineering Technician III	2220	3695
Engineering Technician IV	2505	4795
Technical Manager I	1995	3985

(Source: Amended at 20 Ill. Reg. JUN 26 1996)

effective

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: Standard Procurement
- 2) Code Citation: 44 Ill. Adm. Code 1
- 3) Section Numbers: Adopted Action:
1.2235 New
- 4) Statutory Authority: Public Act 89-245 [30 ICS 508/8.5]
- 5) Effective Date of Rulemaking: July 1, 1996
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) Date filed in Agency's Principal Office: July 1, 1996
- 9) Notice of Proposal Published in Illinois Register: March 29, 1996, 20 Ill. Reg. 4878
- 10) Has JCPR issued a Statement of Objections to these rules? No
- 11) Difference(s) between proposal and final version: Added statutory citations.

Several minor editing changes were made.

- 12) Have all the changes agreed upon by the agency and JCPR been made as indicated in the statement referred to by JCPR? Yes

- 13) Will this rulemaking replace an emergency rule currently in effect? No

- 14) Are there any amendments pending on this Part? No

- 15) Summary and Purpose of Rulemaking: This implements Public Act 89-425 which allows agencies to contract without having to use a competitive selection process with companies who employ individuals with severe physical or mental disabilities and who also provide them with assistance performing their jobs.

- 16) Information and questions regarding this adopted amendment shall be directed to:

Stephen W. Seiple
700 Station Office Building
Springfield, Illinois 62706
(217) 782-9663
TDD (217) 785-3379

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF ADOPTED AMENDMENTS

The full text of the Adopted Amendment begins on the next page.

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF ADOPTED AMENDMENTS

TITLE 44: GOVERNMENT CONTRACTS, PROCUREMENT AND
PROPERTY MANAGEMENT

SUBTITLE A: PROCUREMENT AND CONTRACT PROVISIONS

CHAPTER 1: DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

PART 1

STANDARD PROCUREMENT

SUBPART A: GENERAL

Section	
1.100	Authority
1.110	Policy
1.120	Applicability
1.130	Definitions

SUBPART B: APPROVAL OF PROCUREMENT RULES

Section	
1.200	Approval Required
1.210	When Approved
1.220	Filing of Rules
1.230	Standard Form of Rules
1.240	Non-Standard Form of Rules
1.250	Length of Approval

SUBPART C: PROCUREMENT RESPONSIBILITY

Section	
1.300	General
1.310	Department of Central Management Services
1.320	Department of Transportation
1.330	Capital Development Board
1.340	Procuring Agency Responsibility
1.350	Delegation of Procurement Authority

SUBPART D: SOURCES OF SUPPLY

Section	
1.400	Open Source of Supply
1.410	Special Sources
1.420	Directed Source

SUBPART E: METHODS OF PROCUREMENT

Section	
1.500	General

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF ADOPTED AMENDMENTS

1.510 Competition Encouraged
 1.515 Competitive Procurement and Procedure
 1.520 Source Selection
 1.530 Statutory Circumstances Allowing Negotiation
 1.540 Negotiation After Award
 1.550 Multiple Awards
 1.560 Pre-emption

SUBPART F: PUBLICIZING PROCUREMENT ACTIONS

Section
 1.600 Official State Newspaper
 1.610 Advertising Required
 1.620 Re-Advertisement
 1.630 Direct Solicitation

SUBPART G: INVITATIONS FOR BID AND RESPONSE

Section
 1.700 Bid List
 1.710 Contents of Invitations for Bids
 1.720 Time and Place to Submit Bids
 1.730 Submission of Bids
 1.740 Cancellation of Bids
 1.750 Submission Bidding
 1.760 Bid Reservations

SUBPART H: RESPONSIBILITY OF BIDDER

Section
 1.800 Bidder Must be Responsible
 1.810 Determination by Procuring Agency
 1.820 Proof of Responsibility
 1.830 Standards of Responsibility
 1.840 New Bidders

SUBPART I: BID AND PERFORMANCE SECURITY

Section
 1.850 Security Required
 1.910 Performance Security
 1.920 Amount of Security
 1.930 Subsequent Requirement
 1.940 When Allowed or Required
 1.950 Annual Security
 1.960 Return of Security

SUBPART J: SPECIFICATIONS AND SAMPLES

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF ADOPTED AMENDMENTS

Section
 1.1000 Specifications Required
 1.1010 Reference Specifications
 1.1020 Brand Name or Equal
 1.1030 Proven Products
 1.1040 State Representative Samples
 1.1050 Representative Sample
 1.1060 Payment for Samples
 1.1070 Product Demonstration

SUBPART K: AWARD OF CONTRACT

Section
 1.1100 Bid Opening
 1.1110 Recording
 1.1120 Award
 1.1130 Alternate Bids
 1.1140 Supplementary Orders
 1.1150 Delay in Award
 1.1160 Cancellation of Invitation
 1.1170 Notice of Cancellation
 1.1180 Rejection of Individual Bids
 1.1190 Minor Irregularities or Irregularities in Bids
 1.1200 Time of Award
 1.1210 Binding Contract

SUBPART L: MISTAKES IN BIDS

Section
 1.1300 General
 1.1310 Apparent Clerical Mistake
 1.1320 Other Mistakes Disclosed Before Award
 1.1330 Discovery of Mistakes After Award
 1.1340 Procedural Mistakes
 1.1350 Procedural Error by State

SUBPART M: CONTRACT TERMS

Section
 1.1400 Terms and Conditions of Transactions
 1.1410 Amendments

SUBPART N: CONTRACT PERIOD AND FISCAL FINDING

Section
 1.1500 Fiscal Year Contracting
 1.1510 Contracts Spanning Fiscal Years
 1.1520 Fiscal Funding Termination Policy

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF ADOPTED AMENDMENTS

- 1.1530 Preference in Funding
1.1540 Notice of Failure of Funding

SUBPART Q: CONTRACT PRICING AND FINANCING

- Section
1.1600 Allowable Price Structure
1.1610 Firm Pricing
1.1620 All Costs Included
1.1630 Contract Price for Printing
1.1640 Contract Pricing
1.1650 Prevailing Wage Required

SUBPART P: PERFORMANCE

- Section
1.1700 Full Compliance
1.1710 Deliveries
1.1720 Inspection
1.1730 Assignments by Successful Bidder
1.1740 Submission of Invoice Vouchers

SUBPART Q: VENDOR COMPLAINTS

- Section
1.1800 Performance Monitoring
1.1810 Initial Complaint
1.1820 Written Complaint
1.1830 Complaints to be Filled
1.1840 Prompt Action Essential
1.1850 Grounds for Complaint
1.1860 Action by Receiving Agency

SUBPART R: TERMINATION OR RESCISSION OF CONTRACT BY STATE

- Section
1.1900 Cancellation for Breach of Contract
1.1910 Cancellation for Fraud, Collusion, Illegality, Etc.
1.1920 Withholding Monies to Compensate State for Damages
1.1930 Damages

SUBPART S: SUSPENSION AND DEBARMENT

- Section
1.2000 Suspension
1.2010 Terms of Suspension
1.2020 Causes for Suspension
1.2030 Debarment

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF ADOPTED AMENDMENTS

- 1.2040 Ineligible List

SUBPART T: PROTEST OR OBJECTIONS

- Section
1.2100 General
1.2110 Time and Place for Protest or Objections
1.2120 Suspension of Award
1.2130 Evaluation of Protest or Objection
1.2140 Additional Administrative Remedies

SUBPART U: SOCIOECONOMIC PROGRAMS

- Section
1.2200 General
1.2210 Small Business
1.2215 Minority and Female-Owned Business
1.2220 Minority-Owned Small Business (Recodified)
1.2225 Sheltered Socioeconomic Handicapped
1.2230 Required Use (Recodified)
1.2235 Procurement from Vendors with Supported Employees
1.2240 Withdrawal of Set-Aside (Recodified)
1.2250 Small Construction Business Advance Payment Set-Aside (Repealed)

SUBPART V: JOINT PROCUREMENT AGREEMENTS

- Section
1.2300 General
1.2310 State Use of Other Contracts
1.2320 Use of State Contracts
1.2330 No Agency Relationship
1.2340 Obligations of Participating Governmental Units
1.2350 Centralized Contracts - Estimated Quantities
1.2360 Centralized Contracts - Definite Quantities

SUBPART W: MISCELLANEOUS

- Section
1.2400 Inspection and Audits
1.2410 No Rights Conferred
1.2420 Government Furnished Property
1.2430 Attempt to Influence Award
1.2440 Collusive Bids
1.2450 Identical Bids
1.2460 Proprietary Information
1.2470 Severability

AUTHORITY: Implementing and authorized by the Illinois Purchasing Act (30 ILCS

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
NOTICE OF ADOPTED AMENDMENTS

505); the State Paper Purchasing Act [30 ILCS 510]; State Printing Contracts Act [30 ILCS 515]; the Minority and Female Business Enterprise Act [30 ILCS 575].

SOURCE: Adopted at 7 Ill. Reg. 100, effective December 17, 1982; amended at 7 Ill. Reg. 1381, effective October 4, 1983; amended at 7 Ill. Reg. 1384, effective October 12, 1983; codified at 8 Ill. Reg. 1494; Sections 1.2210, 1.2220, 1.2230, 1.2240 refiled to Section 1.2210 at 9 Ill. Reg. 6118; amended at 10 Ill. Reg. 933, effective January 2, 1986; amended at 10 Ill. Reg. 18707, effective October 22, 1986; amended at 11 Ill. Reg. 7225, effective April 6, 1987; amended at 11 Ill. Reg. 7595, effective April 14, 1987; amended at 13 Ill. Reg. 17804, effective November 7, 1989; emergency amendment at 16 Ill. Reg. 13118, effective August 7, 1993, for a maximum of 150 days; amended at 17 Ill. Reg. 600, effective January 5, 1994; amended at 18 Ill. Reg. 14576, effective August 2, 1993; amended at 20 Ill. Reg. 9013, effective JUL 1 1996.

SUBPART U: SOCIOECONOMIC PROGRAMS

Section 1.2235 Procurement from Vendors with Supported Employees

a) Authority. State agencies may procure goods and services from a "qualified vendor with an approved supported employment workforce" (SEV) without having to seek competitive bids and may award to a SEV in a competitive procurement even if the SEV is not the low bidder in accordance with the following requirements.

b) Requirements to Exercise Authority

1) Procurements may be made from only those vendors on the SEV list maintained by the Department of Central Management Services (CMS).

2) For goods or services under the procurement jurisdiction of CMS, including those delegated by CMS, procuring agencies shall notify CMS/Bureau of Support Services of their intent to utilize a SEV, and CMS must approve such action before a procurement is awarded. Contract awarded. CMS shall approve provided such action is consistent with the Illinois Purchasing Act [30 ILCS 510], State Paper Purchasing Act [30 ILCS 515], State Printing Contracts Act [30 ILCS 515], and Standard Procurement Rules [41 Ill. Admin. Code 11].

3) For all goods and services which would have to be bid but for the authorization found in Section 9.5 of the Illinois Purchasing Act [30 ILCS 505.8.5] or where the procuring agency chooses a SEV when not the lowest responsible bidder meeting specifications, the procuring agency must obtain approval of the State Use Committee that the price is a fair market price.

4) A fair market price will be determined by reference to past prices paid by the procuring agency and any known current pricing available to the procuring agency (each of which must be

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
NOTICE OF ADOPTED AMENDMENTS

submitted to the State Use Committee), and the policy to promote SEVs as found in Section 9.5 of the Illinois Purchasing Act [30 ILCS 505.8.5]. A fair market price is not necessarily the lowest price that may be available.

c) Requirements of SEVs

1) SEVs must comply with Illinois laws governing private for-profit enterprises.

2) SEVs must certify that no less than 54, nor more than 70%, of all SEV individuals meet the definition of supported employees and are a direct result of the Illinois Department of Rehabilitation Services (DORS).

A) Certification shall be made prior to any contract under these provisions, showing the total number of employees and the numbers of all actively employed supported employees and the percentage of supported employees.

B) On an ongoing basis, each SEV with an approved contract shall provide quarterly reports in the manner and format required by the State Use Committee.

C) The percent of all employees that are supported employees can be calculated in one of two ways:

1) The number of supported employees divided by the total of all employees.

2) The number of supported employees in non-administrative positions divided by the total of all employees in non-administrative positions.

The method of calculation shall be noted on the certification to be submitted.

3) A SEV necessary supports to its supported employees.

A) Necessary employees are defined as those supports which are identified by DORS as necessary to ensure that employees can continue and maintain employment which has been identified to the State Use Division by DORS must be documented and available for review, verification, and/or audit under the conditions of the Freedom of Information Act, at any time for any reason.

4) A SEV must provide its supported employees with an integrated work setting. An integrated work setting is one in which no segregated work or recreational space exists for, or is encouraged to be used by, supported employees.

5) SEVs must assure that at least 50% of the work expended to produce the goods and services to be sold to the State is provided by supported employees. The method of calculating the percent of work expended on a State contract must be explained in the following paragraphs and may be calculated in one of the following ways:

A) The percent of hours expended on the State contract by supported employees must equal at least 50% of all hours expended, or

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF ADOPTED AMENDMENTS

- b) The percent of pieces produced by supported employees must equal at least 50% of all pieces produced on the State contract.
- c) The percent of wages (including all benefits) paid to supported employees must equal at least 50% of all wages (including benefits) paid to all employees engaged in the State contract.
- 6) SVA must assure that personal interactions of a supported employment worker in, or associated with, the workplace are with employees of the workplace who are not necessarily supported employees. Any contractor who obtains a contract under this law must certify that a workplace is provided which is conducive to integration of interpersonal relations between supported and non-supported employees.
- 7) SVA must have a completed Bidders Application Form on file with the Department of Central Management Services.
- 8) SVA must report to CMS any contract with State Agencies on a quarterly basis.
- d) Monitoring:
 - Reminders of these rules are subject to monitoring, verification, on-site inspection by appropriate personnel, and/or audit of production and personnel records specific to a contract which must be obtained under the Act.

(Source: Added at 20 Ill. Reg. 9015, effective

JUL 1 1996

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: The Travel Regulation Council
- 2) Code Citation: 80 Ill. Adm. Code 3000
- 3) Section Numbers: Adopted Action:
3000.300 Amend
- 4) Statutory Authority: Implementing and authorized by Sections 12-12-2 and 12-3 of the State Finance Act [30 ILCS 105/12, 12-2 and 12-3]
- 5) Effective Date of Rulemaking: July 1, 1996
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) Date filed in Agency's Principal Office: July 1, 1996
- 9) Notice of Proposal Published in Illinois Register: March 29, 1996, 20 Ill. Reg. 4897
- 10) Has ICAR issued a Statement of Objections to these rules? No
- 11) Difference(s) between proposal and final version: Corrected statutory citation.
- 12) Have all the changes agreed upon by the agency and ICAR been made as indicated in the agreement letter issued by ICAR? NO Agreements were necessary.
- 13) Will this rulemaking replace an emergency rule currently in effect? No
- 14) Are there any amendments pending on this Part? No
- 15) Summary and Purpose of Rulemaking: The amendment to Section 3000.300(g) regarding mileage reimbursement for the use of personal aircraft while on State business allows each Board to set their own reimbursement rate up to the current federal rate for this type of expense.
- 16) Information and questions regarding these adopted amendments shall be directed to:

Stephen W. Seiple
701 State Police Building
Springfield, Illinois 62706
(217) 782-9669
TDD (217) 785-3979

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF ADOPTED AMENDMENTS

The full text of the Adopted Amendment begins on the next page:

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES

NOTICE OF ADOPTED AMENDMENTS

TITLE 80. PUBLIC OFFICIALS AND EMPLOYEES

SUBTITLE 1. GENERAL TRAVEL CONTROL

CHAPTER IV. TRAVEL REGULATION COUNCIL

PART 3000

THE TRAVEL REGULATION COUNCIL

SUBPART A: GENERAL

Section	
3000.100	Authority
3000.110	Philosophy
3000.120	Policy
3000.130	Scope and Interpretation
3000.140	Definitions

SUBPART B: TRAVEL CONTROL SYSTEM

Section	
3000.200	Travel Control System
3000.210	Designation of Headquarters
3000.220	Expenses at Headquarters or Residence
3000.230	Preparation and Submission of Vouchers or Travel Expenses

SUBPART C: TRANSPORTATION

Section	
3000.300	Modes of Transportation
3000.310	Routing

SUBPART D: LODGING

Section	
3000.400	Lodging Allowances
3000.410	Travel Cost Accounting
3000.420	Controlled Lodging
3000.430	Employee Owned or Controlled Housing

SUBPART E: PER DIEM-MEALS

Section	
3000.500	Per Diem Allowance
3000.510	Meal Allowance

SUBPART F: MISCELLANEOUS RULES

Section	
3000.600	Reimbursable and Non-Reimbursable Expenses

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
NOTICE OF ADOPTED AMENDMENTS

3000.610 Expenses Related to Transportation
3000.620 Receipts Required
3000.630 Waits for Other Persons

SUBPART G: EXCEPTIONS

Section
3000.700 Exceptions to the Rules
3000.710 Board-Agency Rules
3000.720 Non-Required Travel

APPENDIX A Reimbursement Schedule

AUTHORITY: Implementing and authorized by Sections 12, 12-2 and 12-3 of the State Finance Act (30 ILCS 105/12, 12-2 and 12-3).

SOURCE: Emergency rules adopted at 10 Ill. Reg. 1297, effective July 2, 1986, for a maximum of 150 days; adopted at 10 Ill. Reg. 12188, effective January 1, 1987, pursuant to amendment 1637, 11 Ill. Reg. 1283, effective August 25, 1987; amended at 10 Ill. Reg. 1397, effective May 13, 1988; amended at 10 Ill. Reg. 1004, effective July 1, 1989; amended at 10 Ill. Reg. 1282, effective July 1, 1991; amended at 10 Ill. Reg. 1272, effective May 13, 1996; amended at 10 Ill. Reg. 9025, effective JUL 1 1996.

SUBPART C: TRANSPORTATION

Section 3000.300 Modes of Transportation

- All travel shall be by the most economical mode of transportation available considering travel time, costs, and work requirements. Modes of transportation authorized for official travel include automobiles, railroads, airlines, buses, taxicabs, and other usual means of conveyance.
- State vehicles may be used when most economical. When applicable, vehicle values may be used when Code 5000 issued by the Department of Central Management Services shall govern use of State-owned vehicles. Specific instructions covering service and rules of these vehicles are to be found in the glove compartment of each vehicle.
- Arrangements on airplanes, trains, or boats shall be the least costly reasonably available alternative.
- Chartered aircraft, boats, trains, buses, or other such conveyance, shall be used only as a last resort or if proven to be most economical for the circumstances. A full explanation for the use of such transportation must accompany the voucher.
- The rental of an automobile while on travel status is allowed, if circumstances require. The most economical vehicle available that is suitable for the State's business shall be obtained. The collision

DEPARTMENT OF CENTRAL MANAGEMENT SERVICES
NOTICE OF ADOPTED AMENDMENTS

damage waiver and personal accident insurance on rented vehicles are not reimbursable.
f) Privately owned vehicles may be used when authorized by appropriate agency personnel.

1) Employees using private vehicles on State business must have insurance coverage in an amount not less than that required by 5/10-101(b)(10)(i) of the Illinois Motor Code (625 ILCS 5/10-101(b)(10)(i)). Prior to each trip, the employee must read and require employees to file a statement certifying that they have duly licensed and carry at least the minimum insurance coverage or shall require such certification to be noted on the travel voucher.

2) Reimbursement for use of a private vehicle shall be on a mileage basis and shall be in accordance with the rate promulgated pursuant to 5 U.S.C. 5707(b)(2) and is shown in Appendix A, Reimbursement Schedule. However, in the event the rate set under Federal regulations changes during the course of the State's fiscal year, the effective date of the new rate shall be the July 1 immediately following the change in the Federal rate.

g) Agency Heads may authorize the use of privately owned aircraft on State business. The employee shall be duly licensed by the appropriate licensing body for the particular aircraft to be flown. The employee shall be responsible for the cost of the aircraft and shall be responsible for review and shall be noted in the travel voucher.

1) Employees using privately owned aircraft on State business shall be duly licensed by the appropriate licensing body for the particular aircraft to be flown. The employee shall carry insurance in at least the amount of \$500,000 combined single limit, and shall certify this to the Agency Head. Such certification shall be available for review and shall be noted in the travel voucher.

2) Reimbursement for the use of privately owned aircraft may be set by the individual Boards, but shall not exceed the rate set by the Federal Government pursuant to 5 U.S.C. 5707(b)(2).

(Source: Amended at 20 Ill. Reg. 9025, effective JUL 1 1996.)

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

NOTICE OF ADOPTED AMENDMENTS

1) Heading of the Part: Client Service Planning2) Code Citation: 89 Ill. Adm. Code 3053) Section Numbers: Adopted Action:305.30 Adopt
305.30 Repeal4) Statutory Authority: 20 ILCS 5055) Effective Date of Amendments: July 5, 19966) Does this rulemaking contain an automatic repeal date? No7) Do these amendments contain incorporations by reference? No8) Date Filed in Agency's Principal Office: July 5, 19969) Notice of Proposal Published in Illinois Register: 19 Ill. Reg. 8821,
July 7, 199510) Has JCPR issued a Statement of Objections to these rule(s)? No11) Difference between proposal and final version: With the exception of editing and formatting corrections suggested by the Joint Committee on Administrative Rules, no changes were made.12) Have all the changes agreed upon by the agency and JCPR been made as indicated in the agreement letter issued by JCPR? Yes13) Will these proposed amendments replace an emergency rule currently in effect? No14) Are there any amendments pending on this Part? No15) Summary and Purpose of These Adopted Amendments: These amendments together with amendments to 89 Ill. Adm. Code 301, Placement and Visitation Services, implement the Aristotile P. Consent Decree, which requires the Department, whenever placement of children is necessary, to place siblings together whenever possible. When it is not possible to place siblings together, the Department must ensure that placement and contact between the siblings take place. These specific amendments to 89 Ill. Adm. Code 305 require that the service plan include the reasons why siblings have been placed apart and what efforts are being made to find a joint placement for them. In addition, Section 305.30, Parent-Child Visitation is being repealed. The content of this section has been moved to 89 Ill. Adm. Code 301, Placement and Visitation Services, and retitled Family-Child Visitation.

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

NOTICE OF ADOPTED AMENDMENTS

16) Information and questions regarding these adopted amendments shall be directed to:

Jacqueline Nottingham, Chief
Office of Rules and Procedures
Department of Children and Family Services
406 East Monroe St., Station #222
Springfield, IL 62701-1498
(217) 524-1983
TTY: (217) 524-3715

The full text of the adopted amendments is as follows:

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

NOTICE OF ADOPTED AMENDMENTS

TITLE 89: SOCIAL SERVICES
CHAPTER III: DEPARTMENT OF CHILDREN AND FAMILY SERVICES
SUBCHAPTER A: SERVICE DELIVERY

PART 305

CLIENT SERVICE PLANNING

Section	Purpose
305.10	Definitions
305.20	Introduction to Client Service Planning
305.30	Types of Permanency Goals and Alternative Permanency Options
305.40	Service Plan
305.50	Case Review System
305.60	Decision Making
305.70	Parent-Child Visitation (Repealed)
305.80	Evaluating Whether Children in Placement Should be Returned Home
305.90	Termination of Parental Rights
305.100	Planning for the Termination of Services
305.110	The Department's Role in the Juvenile Court
305.120	Compliance With the Client Service Planning Requirements

AUTHORITY: Implementing and authorized by the Children and Family Services Act [20 ILCS 505], the Abused and Neglected Child Reporting Act [325 ILCS 5], the Adoption Assistance and Child Welfare Act of 1980, amending Section 475 of the Social Security Act (42 U.S.C.A. 670 et seq.), the Juvenile Court Act of 1987 [705 ILCS 405], and the Adoption Act [750 ILCS 50].

SOURCE: Adopted and codified at 5 Ill. Reg. 14156, effective December 29, 1987; amended 8 Ill. Reg. 21570, effective November 1, 1984; amended at 9 Ill. Reg. 720, 111 Reg. 21570, effective October 1, 1982; amended at 16 Ill. Reg. 17722, 111 Reg. 21570, effective October 1, 1982; amended at 19 Ill. Reg. 17722, 111 Reg. 17720, effective December 1991; amended at 19 Ill. Reg. 17722, 111 Reg. 17720, effective June 1, 1995; Section 305.90 recodified to 89 Ill. Adm. Code 301.210 at 19 Ill. Reg. 10487; amended at 19 Ill. Reg. 10487, effective July 1, 1995; amended at 20 Ill. Reg. 9030, effective

JUL 5 1996

Section 305.50 Service Plan

- a) Purpose of the Service Plan
- The service plan is a written plan which is established between the Department, the purchaser of service providers, and, if possible, the child and family served. Service plans approved by the Department are required regardless of whether the child and family are served directly by the Department or through purchase of service providers. The initial service plan shall be completed within 30 days of case opening and at least once every six months thereafter. The

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

NOTICE OF ADOPTED AMENDMENTS

service plan shall be changed and updated as the child and family's situation changes and shall be reviewed regularly as specified in Section 305.40(a).
b) Contents of the Service Plan

Service plans shall contain the following information:

- 1) the names of the children for whom the Department is legally responsible or to whom the Department is providing services;
- 2) the problems that threaten family stability or could lead to placement of the children away from the family home or have resulted in placement of the children away from the family home and an identification of any problems that are causing continued placement of the children away from the home;
- 3) what outcomes would be considered a resolution to these problems;
- 4) the services to be provided to the parents, the children while in care and the foster parents (if necessary when children are placed in foster care), that may best resolve these problems;
- 5) a description of a child's physical, developmental, educational, health, stability and any non-educational specialized services the child is receiving and how the child is receiving these services; an individual treatment plan for each child; and the services the plan exists for a child; it shall be included in the services the child is receiving or needs to receive (including information regarding Early Intervention, Headstart, or Pre-kindergarten services for preschool children); if an Individualized Education Plan (IEP) or an Individualized Family Service Plan (IFSP) exists for a child, the IEP or IFSP shall be included in the record;
- 7) who will provide the services; how often they will be provided; and an explanation of why these services will meet the needs of the child;
- 8) if children are placed out of the parents' home, the reasons for the out of home placement and an explanation of why that placement setting was chosen;
- 2) the siblings are placed apart from one another, the reason why the siblings are placed apart from one another, and the efforts being made to find a joint placement setting for each child.

10197 the permanency goal for each child

10197 the responsibilities of the parent and the child (when appropriate) in fulfilling the service plan;

10197 the responsibilities of the Department and purchase of service providers, if any, in fulfilling the service plan.

10197 when children and families are separated, the parent-child visitation plan, if visitation is not prohibited by court order.

This plan shall include the time and place of visits, the frequency of visits, the length of visits, and who shall be present at the visits;

10197 the timeframes for achieving the permanency goal and the objectives to resolve identified problems and the specification

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

NOTICE OF ADOPTED AMENDMENTS

1) Heading of the Part: Placement and Visitation Services

2) Code Citation: 89 Ill. Adm. Code 301

3) Section Number: Adopted Action:
301.Appendix A Amend

4) Statutory Authority: 20 ICS 505

5) Effective Date of Amendment: July 1, 1996

6) Does this rulemaking contain an automatic repeal date? No

7) Do these amendments contain incorporations by reference? No

8) Date Filed in Agency's Principal Office: July 1, 1996

9) Notice of Proposal Published in Illinois Register: 20 Ill. Reg. 3648,
March 1, 1996

10) Has JCPR issued a Statement of Objections to these rules? No

11) Difference between Proposal and final version: With the exception of minor editing changes recommended by the Joint Committee on Administrative Rules, no changes were made.

12) Have all the changes agreed upon by the agency and JCPR been made as indicated in the amendment letter issued by JCPR? Yes

13) Will these proposed amendments replace an emergency rule currently in effect? Yes

14) Are there any amendments pending on this Part? Yes

Section Number	Proposed Action	Illinois Register Citation
301.20	Amend	July 21, 1995 (19 Ill. Reg. 10349)
301.70	New	July 21, 1995 (19 Ill. Reg. 10349)
301.200	New	July 21, 1995 (19 Ill. Reg. 10349)
301.210	New	July 21, 1995 (19 Ill. Reg. 10349)
301.220	New	July 21, 1995 (19 Ill. Reg. 10349)
301.230	New	July 21, 1995 (19 Ill. Reg. 10349)
301.440	New	July 21, 1995 (19 Ill. Reg. 10349)

15) Summary and Purpose of These Adopted Amendments:

These amendments add the following crimes to the list of criminal convictions, described in Appendix A, which prevent placement of children with relatives: indecent solicitation of an adult, solicitation of a

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

NOTICE OF ADOPTED AMENDMENTS

sexual act, and predatory sexual assault of a child.

16) Information and questions regarding these adopted amendments shall be directed to:

Name: Jacqueline Nottingham, Chief
Address: Office of Rules and Procedures
Department of Children and Family Services
406 East Monroe St., Station # 222
Springfield, Illinois 62701-1098

Telephone: (217) 524-1983
TTY: (217) 524-3715

The full text of the adopted amendments is as follows:

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

NOTICE OF ADOPTED AMENDMENTS

TITLE 19: SOCIAL SERVICES
 CHAPTER III: DEPARTMENT OF CHILDREN AND FAMILY SERVICES
 SUBCHAPTER a: SERVICE DELIVERY

PART 301

PLACEMENT AND VISITATION SERVICES

Section

- 301.1 Purpose (Renumbered)
 301.2 Definition (Repealed)
 301.3 Foster Care Placement Goal (Renumbered)
 301.4 Plans to Achieve This Goal (Renumbered)

SUBPART A: PLACEMENT SERVICES

Section

- 301.10 Purpose
 301.20 Definitions
 301.30 Introduction
 301.40 Legal Authority to Place
 301.50 Emergency Placement
 301.60 Placement Selection Criteria
 301.80 Relative Home Placement
 301.90 Foster Family Home Care
 301.100 Residential Care
 301.110 Care in a Medical/Psychiatric Facility
 301.120 Sharing Appropriate Information with the Caregiver
 301.130 Medical Examinations for Children in Placement
 301.140 Education of Children While in Placement

SUBPART C: FOSTER CARE PLACEMENT GOAL

Section

- 301.310 Purpose
 301.320 Foster Care Placement Goal
 301.330 Plans to Achieve This Goal

APPENDIX A Criminal Convictions which Prevent Placement of Children

AUTHORITY: Implementing and authorized by the Children and Family Services Act [20 ILCS 505]; Section 3-6-2(g) of the Unified Code of Corrections [77 ILCS 5/3-6-2(g)]; Section 1-103 of the Illinois Alcoholism and Dangerous Drugs Dependency Act [20 ILCS 305/1-103]; the Adoption Assistance and Child Welfare Act of 1980 [42 U.S.C.A. 670 et seq.]; 45 CFR 1356.40 and 1356.41; the Juvenile Court Act of 1987 [705 ILCS 405]; and the Adoption Act [750 ILCS 50].

SOURCE: Adopted and codified at 7 Ill. Reg. 881, effective January 12, 1983; amended at 9 Ill. Reg. 9904, effective July 1, 1985; amended at 19 Ill. Reg. 9438, effective July 1, 1993; emergency amendments at 20 Ill. Reg. 1961,

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

NOTICE OF ADOPTED AMENDMENTS

effective February 16, 1996, for a maximum of 150 days; amended at 20 Ill. Reg. 4602, effective March 15, 1996; amended at 20 Ill. Reg. 9036, effective

JUL 1 1996

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

NOTICE OF ADOPTED AMENDMENTS

Section 301. APPENDIX A Criminal Convictions which Prevent Placement of Children with Relatives

a) Children for whom the Department of Children and Family Services is legally responsible shall not be placed with a relative, as defined in this Part, or allowed to remain in the home of a relative if the relative caregiver or any adult member of the household has been convicted of committing any of the following crimes, except as allowed via a waiver process below.

1) Homicide

- A) Murder*
- B) Solicitation of murder*
- C) Solicitation of murder for hire*
- D) Intentional homicide of an unborn child*
- E) Voluntary manslaughter of an unborn child*
- F) Involuntary manslaughter*
- G) Reckless homicide*
- H) Concealment of a homicidal death*
- I) Involuntary manslaughter of an unborn child*
- J) Reckless homicide of an unborn child*
- K) Drug induced homicide*

2) Sex Offenses

- A) Child pornography*
- B) Exploitation of a child*
- C) Sexual exploitation of a child*
- D) Obscenity
- E) Pornographic materials
- F) Retail sales of obscene publications to distributors
- G) Indecent solicitation of a child*
- H) Indecent solicitation of an adult*
- I) Public indecency
- J) Sexual relations within families*
- K) Prostitution
- L) Soliciting for a prostitute
- M) Soliciting for a juvenile prostitute*
- N) Solicitation of a sexual act
- O) Pandering
- P) Keeping a place of prostitution*
- Q) Keeping a place of juvenile prostitution*
- R) Patronizing a prostitute
- S) Patronizing a juvenile prostitute*
- T) Pimping
- U) Juvenile pimping*

3) Kidnapping and Related Offenses

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

NOTICE OF ADOPTED AMENDMENTS

- A) Kidnapping
- B) Aggravated unlawful restraint
- C) Forcible detention
- D) Aiding and abetting child abduction*
- E) Aggravated kidnapping
- F) Child abduction*

4) Bodily Harm

- A) Aggravated battery of a child*
- B) Criminal sexual assault*
- C) Aggravated criminal sexual assault*
- D) Predatory criminal sexual assault of a child*
- E) Criminal sexual abuse*
- F) Aggravated sexual abuse*
- G) Heinous battery*
- H) Aggravated battery with a firearm
- I) Tampering with food, drugs, or cosmetics
- J) Drug-induced infliction of great bodily harm
- K) Aggravated stalking
- L) Home invasion
- M) Vehicular invasion
- N) Criminal transmission of HIV
- O) Criminal neglect of an elderly or disabled person
- P) Child abandonment
- Q) Endangering the life or health of a child*
- R) Actual sexual abuse*
- S) Actualized abuse of a child*

5) An offense in any other state the elements of which are similar to any of the foregoing offenses, and bear a substantial relationship to any of the foregoing offenses.

b) If the relative caregiver or any adult member of the household has been convicted of one of the crimes in subsections (a)(1) or (5) above marked by an asterisk, any request for a waiver must be submitted in writing to the Director of the Department for his or her personal approval. The supervising agency shall submit the following information along with the request for waiver of the criminal conviction(s).

- 1) the age of the individual at the time of the conviction(s);
 - 2) the length of time that has elapsed since the last conviction(s);
 - 3) the relationship of the crime and the capacity to care for related children;
 - 4) evidence of rehabilitation; and
 - 5) questions of community members concerning the individual in question.
- c) If the relative caregiver of any adult member of the household has been convicted of one of the crimes identified in subsections (a)(1)

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

NOTICE OF ADOPTED AMENDMENTS

through (5) above not marked by an asterisk, related children for whom DFS is legally responsible shall not be placed in or continue to remain in the relative caregiver's household unless a waiver of this prior criminal history has been granted in accordance with the requirements of this subsection. The Director of the Department shall designate specific Department employees who have the authority to grant such waivers on a 24 hour per day basis. When the supervising agency believes that there have been extraordinary circumstances surrounding the criminal history or the convicted person(s) has been successfully rehabilitated and placement in the relative's household is in the best interests of the children, the supervising agency may request a waiver of this prior criminal history by asking the Department to consider the factors in (b) above. Such requests may be made orally, but must be confirmed in writing. The Department's decision regarding the request for a waiver shall be documented in writing and included in the child's case record.

(Source: Amended at 30 Ill. Reg. **9036**, effective

—JUL 1 1996—)

ILLINOIS COMMERCE COMMISSION

NOTICE OF ADOPTED RULE

- 1) Heading of the Part: Effect of Adoption of Least-Cost Plans
- 2) Code Citation: 93 Ill. Adm. Code 411
- 3) Section Numbers: Adopted Action:
411.10 New Section
- 4) Statutory Authority: Implementing and authorized by Section 10-101 of the Public Utilities Act (230 ILCS 5/10-101).
- 5) Effective Date of Rule: July 15, 1996
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rule contain incorporations by reference? No
- 8) Date Filed in Agency's Principal Office: June 26, 1996
- 9) Notice of Proposal Published in Illinois Register: January 19, 1996, at 20 Ill. Reg. 969.
- 10) Has ICAR issued a Statement of Objections to this rule? No
- 11) Difference(s) between proposal and final version: Section 411.10(b): In the second sentence, change "substantial and material change of relevant" to "change of conditions" and delete "circumstances"; change the second "circumstances" to "conditions"; add "and which would adversely affect the Commission's decision concerning the approval of that program or resource" after "resource" at the end of the subsection.
- 12) Have all the changes agreed upon by the agency and ICAR been made as indicated in the agreement letter issued by ICAR? Yes
- 13) Will this rule replace an emergency rule currently in effect? No
- 14) Are there any amendments pending on this Part? No
- 15) Summary and Purpose of Rule: The rule concludes that a Commission order approving a least-cost plan shall constitute prima facie evidence of the prudence of the decisions made and actions taken by the utility through the date of plan approval and subsequent actions and decisions to implement the plan. This will result in proceedings other than the one in which the plan was adopted. This will reduce regulatory uncertainty for the utilities and recognizes that parties to the least-cost plan proceeding have already had an opportunity to challenge the implementation plan proposed by the utility.
- 16) Information and questions regarding this adopted rule shall be directed

ILLINOIS COMMERCE COMMISSION

NOTICE OF ADOPTED RULE

10:

Conrad Rubickowski
Illinois Commerce Commission
577 East Capitol Avenue
P.O. Box 19280
Springfield, IL 62794-9280
(217) 795-8439

The full text of the Adopted Rule begins on the next page:

ILLINOIS COMMERCE COMMISSION

NOTICE OF ADOPTED RULE

TITLE 83: PUBLIC UTILITIES
CHAPTER 1: ILLINOIS COMMERCE COMMISSION
SUBCHAPTER C: ELECTRIC UTILITIES

PART 411

EFFECT OF ADOPTION OF ELECTRIC LEAST-COST PLANS

Section

441.10 Effect of Adoption of Least-cost Plans

AUTHORITY: Implementing and authorized by Section 10-101 of the Public Utilities Act (220 ILCS 5/10-101).

SOURCE: Adopted at 20 Ill. Reg. _____, effective

~~JUL 15 1996~~ 9043

Section 441.10 Effect of Adoption of Least-cost Plans

Adoption by the Illinois Commerce Commission ("Commission") of an electric utility least-cost energy plan as provided in 83 Ill. Adm. Code 440.180 shall be subject to the following effect proceedings before the Commission other than the one in which the plan was adopted:

- a) A Commission order approving a plan, whether that order has been issued before or after the effective date of this Part, shall constitute prima facie evidence that utility decisions made or actions taken through the date of plan approval that are related to the selection of future resources and specifically identified in the plan pursuant to 83 Ill. Adm. Code 440.620 and/or 440.700 are prudent. Such prima facie evidence shall be rebutted if any party or Commission Staff provides evidence in the record of such other proceeding that the utility failed to disclose, prior to the issuance of the order approving the plan, facts known to the utility which would have likely altered the Commission's decision if they had been in the record or the proceeding in which the plan was approved. Examples of such facts included, but are not limited to, omissions from the analysis required by 83 Ill. Adm. Code 440.500, 440.620, 440.640, 440.650, 440.660, 440.670, 440.680, 440.690, 440.700, 440.710, 440.720, 440.730, 440.740, 440.750, 440.760, 440.770, 440.780, 440.790, 440.800, 440.810, 440.820, 440.830, 440.840, 440.850, 440.860, 440.870, 440.880, 440.890, 440.900, 440.910, 440.920, 440.930, 440.940, 440.950, 440.960, 440.970, 440.980, 440.990, 441.000, 441.010, 441.020, 441.030, 441.040, 441.050, 441.060, 441.070, 441.080, 441.090, 441.100, 441.110, 441.120, 441.130, 441.140, 441.150, 441.160, 441.170, 441.180, 441.190, 441.200, 441.210, 441.220, 441.230, 441.240, 441.250, 441.260, 441.270, 441.280, 441.290, 441.300, 441.310, 441.320, 441.330, 441.340, 441.350, 441.360, 441.370, 441.380, 441.390, 441.400, 441.410, 441.420, 441.430, 441.440, 441.450, 441.460, 441.470, 441.480, 441.490, 441.500, 441.510, 441.520, 441.530, 441.540, 441.550, 441.560, 441.570, 441.580, 441.590, 441.600, 441.610, 441.620, 441.630, 441.640, 441.650, 441.660, 441.670, 441.680, 441.690, 441.700, 441.710, 441.720, 441.730, 441.740, 441.750, 441.760, 441.770, 441.780, 441.790, 441.800, 441.810, 441.820, 441.830, 441.840, 441.850, 441.860, 441.870, 441.880, 441.890, 441.900, 441.910, 441.920, 441.930, 441.940, 441.950, 441.960, 441.970, 441.980, 441.990, 442.000, 442.010, 442.020, 442.030, 442.040, 442.050, 442.060, 442.070, 442.080, 442.090, 442.100, 442.110, 442.120, 442.130, 442.140, 442.150, 442.160, 442.170, 442.180, 442.190, 442.200, 442.210, 442.220, 442.230, 442.240, 442.250, 442.260, 442.270, 442.280, 442.290, 442.300, 442.310, 442.320, 442.330, 442.340, 442.350, 442.360, 442.370, 442.380, 442.390, 442.400, 442.410, 442.420, 442.430, 442.440, 442.450, 442.460, 442.470, 442.480, 442.490, 442.500, 442.510, 442.520, 442.530, 442.540, 442.550, 442.560, 442.570, 442.580, 442.590, 442.600, 442.610, 442.620, 442.630, 442.640, 442.650, 442.660, 442.670, 442.680, 442.690, 442.700, 442.710, 442.720, 442.730, 442.740, 442.750, 442.760, 442.770, 442.780, 442.790, 442.800, 442.810, 442.820, 442.830, 442.840, 442.850, 442.860, 442.870, 442.880, 442.890, 442.900, 442.910, 442.920, 442.930, 442.940, 442.950, 442.960, 442.970, 442.980, 442.990, 443.000, 443.010, 443.020, 443.030, 443.040, 443.050, 443.060, 443.070, 443.080, 443.090, 443.100, 443.110, 443.120, 443.130, 443.140, 443.150, 443.160, 443.170, 443.180, 443.190, 443.200, 443.210, 443.220, 443.230, 443.240, 443.250, 443.260, 443.270, 443.280, 443.290, 443.300, 443.310, 443.320, 443.330, 443.340, 443.350, 443.360, 443.370, 443.380, 443.390, 443.400, 443.410, 443.420, 443.430, 443.440, 443.450, 443.460, 443.470, 443.480, 443.490, 443.500, 443.510, 443.520, 443.530, 443.540, 443.550, 443.560, 443.570, 443.580, 443.590, 443.600, 443.610, 443.620, 443.630, 443.640, 443.650, 443.660, 443.670, 443.680, 443.690, 443.700, 443.710, 443.720, 443.730, 443.740, 443.750, 443.760, 443.770, 443.780, 443.790, 443.800, 443.810, 443.820, 443.830, 443.840, 443.850, 443.860, 443.870, 443.880, 443.890, 443.900, 443.910, 443.920, 443.930, 443.940, 443.950, 443.960, 443.970, 443.980, 443.990, 444.000, 444.010, 444.020, 444.030, 444.040, 444.050, 444.060, 444.070, 444.080, 444.090, 444.100, 444.110, 444.120, 444.130, 444.140, 444.150, 444.160, 444.170, 444.180, 444.190, 444.200, 444.210, 444.220, 444.230, 444.240, 444.250, 444.260, 444.270, 444.280, 444.290, 444.300, 444.310, 444.320, 444.330, 444.340, 444.350, 444.360, 444.370, 444.380, 444.390, 444.400, 444.410, 444.420, 444.430, 444.440, 444.450, 444.460, 444.470, 444.480, 444.490, 444.500, 444.510, 444.520, 444.530, 444.540, 444.550, 444.560, 444.570, 444.580, 444.590, 444.600, 444.610, 444.620, 444.630, 444.640, 444.650, 444.660, 444.670, 444.680, 444.690, 444.700, 444.710, 444.720, 444.730, 444.740, 444.750, 444.760, 444.770, 444.780, 444.790, 444.800, 444.810, 444.820, 444.830, 444.840, 444.850, 444.860, 444.870, 444.880, 444.890, 444.900, 444.910, 444.920, 444.930, 444.940, 444.950, 444.960, 444.970, 444.980, 444.990, 445.000, 445.010, 445.020, 445.030, 445.040, 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ILLINOIS COMMERCE COMMISSION

NOTICE OF ADOPTED RULE

upon which the Commission relied in approving a program or resource specifically identified in the approved plan, where such change of conditions was known or reasonably should have been known by the utility at the time of the proposed action and decisions of the utility as to that program or resource which would have likely altered the Commission's decision concerning the approval of that program or resource.

ILLINOIS LAW ENFORCEMENT TRAINING AND STANDARDS BOARD

NOTICE OF ADOPTED RULES

- 1) Heading of the Part: Part-Time Basic Training
- 2) Code Citation: 20 Ill. Adm. Code 1770
- 3) Section Numbers:

1770.101	Adopted Action:
1770.102	New Section
1770.103	New Section
1770.104	New Section
1770.105	New Section
1770.201	New Section
1770.202	New Section
1770.203	New Section
1770.204	New Section
1770.205	New Section
1770.206	New Section
1770.207	New Section
1770.208	New Section
1770.209	New Section
1770.301	New Section
1770.302	New Section
1770.303	New Section
1770.304	New Section
1770 Appendix A	New Section
- 4) Statutory Authority: Implementing Part 725 and authorized by Section 10 of the Illinois Police Training Act (50 ILCS 705/10).
- 5) Effective Date of Rulemaking: July 1, 1996
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) Date Filed in Agency's Principal Office: July 1, 1996
- 9) Notice of Proposal Published in Illinois Register: November 13, 1995, at 19 Ill. Reg. 15331
- 10) Has ICAR issued a Statement of Objections to these rules? No
- 11) Difference(s) between proposal and final version:

Section 1770.102(b): The definitions of "full-time police officer," "part-time police officer," and "seasonal part-time police officer" have been deleted.

Section 1770.102(b): The following definition for "full-time police

ILLINOIS LAW ENFORCEMENT TRAINING AND STANDARDS BOARD

NOTICE OF ADOPTED RULES

Section 1770.101 Purpose and Scope

Unless otherwise indicated, the rules set forth in this Part provide the general requirements and procedures which are applicable for the training of all part-time police officers.

Section 1770.102 Definitions

- a) The definitions of terms used in this Part are the same as those found in the Illinois Police Training Act (Act) [50 ILCS 705].
- b) Notwithstanding subsection (a) of this Section, the following terms are defined for purposes of this Part:

"Act" means the Illinois Police Training Act [50 ILCS 705].

"Coordinator" means an employee of the mobile team who manages and directly supervises the ongoing operations of the mobile team.

"Director" means the Executive Director of the Illinois Police Training Board.

"Full-time police officer" means a law enforcement officer who is a member of a duly authorized police department and is employed full-time by a unit of local government. An officer who is employed by one or more local governmental agencies and works more than 1,560 work hours in a twelve month period beginning on the first of January of any calendar year, must comply with the training provisions of the Illinois Police Training Act. Nothing in this definition is intended to alter or affect the pension status of any public employee.

"In-Service Training Act" means the Illinois Intergovernmental Law Enforcement Officers In-Service Training Act [50 ILCS 720].

"Mobile Team" means the organization established as a Mobile Team In-Service Training Unit (see 50 ILCS 720/2).

"Module" means any segment of the part-time basic training for part-time police which is established by the Board as a unit of instruction within the part-time basic training course.

"Module Test" means those examinations created by the Board which are administered at regional training facilities following the successful completion of a Board-approved module.

"Monitor" means that person on location at a training site who is responsible for ensuring training and training records are being

ILLINOIS LAW ENFORCEMENT TRAINING AND STANDARDS BOARD

NOTICE OF ADOPTED RULES

properly gathered and maintained.

"Part-time police officer" means a law enforcement officer who is a member of a duly authorized police department and who is employed by one or more units of local government 1,560 hours or less per twelve month period beginning on the first of January of any calendar year. Part-time police officers must comply with the training provisions as specified in this Part. Nothing in this definition is intended to alter or affect the training requirements established for full-time police officers as defined in this Section and pursuant to the Illinois Police Training Act.

"POWER-test" means the physical fitness standards established pursuant to 20 Ill. Adm. Code 1720.30(h).

"Recruit" means a probationary part-time police officer who has not received a Board certificate attesting to the successful completion of the part-time police basic training course.

"Regional Training Facilities" means those designated facilities approved by the Board where probationary part-time police officers must convene at times determined by the Board for in-person direct training.

"Unit of Instruction" means that course of instruction which is combined with other courses in instruction to form a module.

"Work Stations" means those designated facilities approved by the Illinois Law Enforcement Training and Standards Board where probationary part-time police officers can receive distance training under this Part.

Section 1770.103 Veracity of Information

No person shall make any false or misleading statement, representation or certification of any record, report or any other document filed with the Board or required by the Board. In the event records, reports or other documents are determined to be not in compliance with this Section, the Board may take appropriate action, including, but not limited to, disqualifying, dismissing or prosecuting said person.

Section 1770.104 Confidentiality of Information

- a) Claims of confidentiality must be asserted, at the time of submission, by stamping the words "Confidential Business Information" on each page containing such information. Information will be submitted to the parties involved in litigation without redactions.
- b) Claims of confidentiality on the following information will be

ILLINOIS LAW ENFORCEMENT TRAINING AND STANDARDS BOARD

NOTICE OF ADOPTED RULES

denied: Name and address of any applicant for reimbursement; financial data submitted to the Board in order to provide matching funds.

c) Notwithstanding the provisions of subsection (a), the Board will adhere to the provisions of the Freedom of Information Act (5 ILCS 140). Personal and private information may be acquired from the Board with the signed consent of the interested person.

d) Information received by any mobile teams created pursuant to the Illinois Intergovernmental Law Enforcement Officers In-Service Training Act (50 ILCS 720) shall be treated as information received by the Board under subsections (a) and (b) of this Section.

Section 1770.105 Board Review

The Board shall be responsible for annually reviewing the curriculum of the Part-Time Basic Training Course. The Board shall, as changes in the law or training techniques occur, make modifications in the Part-Time Basic Training Course.

SUBPART B: TRAINING PROCEDURES AND REQUIREMENTS

Section 1770.201 Training Standards

a) The Board shall establish training standards and curriculum for the implementation of the Part-Time Basic Training Course.

b) Except as provided for in Section 9.1 of the Illinois Police Training Act, every recruit must successfully complete the Part-Time Basic Training Course to be a certified part-time police officer.

Section 1770.202 Minimum Curriculum Requirements

a) The Board shall annually review the Part-Time Basic Training Course to update and improve the minimum basic training requirements to ensure the course is of similar content and same number of hours as the courses for full-time officers.

b) The Board's mandated training course may be reviewed and modified at any time by the Board. Nevertheless, the approved curriculum will include, but not be limited to, the following:

- 1) The Peace Officer Firearms Training Act (50 ILCS 7101); and
- 2) Those curriculum courses and topics established in Section 7 of the Act.

Section 1770.203 Certification of Facilities

a) The Board shall certify those work-stations, regional training facilities, and other facilities which provide adequate training space to satisfy the requirements described in this Part and which are necessary to effectively provide part-time basic training. In making

ILLINOIS LAW ENFORCEMENT TRAINING AND STANDARDS BOARD

NOTICE OF ADOPTED RULES

the latter determination, the Board shall consider the economic feasibility of offering training at a particular location and the economic feasibility of offering training. On-site inspections shall be conducted on a regular basis by the coordinator, an employee of the mobile team or the Board to determine the adequacy of facilities and administration.

b) In certifying facilities for training under this Part, the Board will ensure that work stations are available and accessible to recruits for a minimum of 9 hours per day on business days. A Board-approved facility monitor shall log in and log out all recruits. Proper identification of the recruit must be provided at the time the recruit logs in.

c) In certifying facilities for training under this Section, the Board will ensure the facility maintains records of all training activities as prescribed by the Board. Said records shall be maintained by the Chief Administrator of said facility until said time as they are transferred to the coordinator of the designated mobile team of the region. The records shall be transferred at least monthly.

d) Each facility shall establish a designated area for part-time basic training which enhances the training opportunity and provides adequate space and solitude, and shall post therein a symbol or notice that training is in progress when a recruit is undergoing training.

e) The Chief Administrator is responsible for ensuring that all materials, equipment and videos at the facility remains at the facility where the training occurs.

Section 1770.204 Standards and Requirements

a) Each mobile team with a part-time basic training course in its region shall operate under the guidelines set forth in this Part.

b) The coordinator of the mobile team shall assume the responsibility of the overall supervision of the course, including, as determined by the Board, the maintaining and grading of tests, the maintaining of all records, rating of course notebooks, arranging for instructors as approved by the Board, providing for food and lodging where appropriate, arranging for adequate training facilities, such as work stations, regional training facilities, firearms courses, gymnasiums, auditoriums, driving and tuning courses, and maintaining and overseeing the conduct and discipline of recruits. The coordinator, in consultation with the Director, shall choose before the course begins which work station or regional training facility each recruit shall attend.

c) Each mobile team shall maintain complete records for each recruit. The records shall include, but not be limited to, the attendance and performance ratings of the recruit, including test scores for every written or oral test, during the Part-Time Basic Training Course. All records gathered by the mobile team or regional facility approved by the Board shall be maintained in accordance with the State Records Act

ILLINOIS LAW ENFORCEMENT TRAINING AND STANDARDS BOARD

NOTICE OF ADOPTED RULES

- and, for purposes of this Part, shall be deemed to be the records of the Board and held confidential. No records shall be released, disseminated or published except through the Board and with the Board's permission.
- d) The coordinator shall be responsible for submitting to the Director a list of recruits who attend the Part-Time Basic Training Course. The coordinator shall make the necessary arrangements for the recruits to complete the course. The coordinator shall make the final determination whether a recruit has satisfactorily completed the course and shall submit a written report within 7 days to the Director. The recruit shall have the opportunity within 7 days to submit a written report to the Director describing the recruit's version of the event. The Director has the discretion to determine whether the action of the coordinator should be ratified.

Section 1770.205 Minimum Requirements of the Recruit

- a) Attendance at all sessions is required. In order to successfully complete the Part-Time Basic Training Course, the recruit shall attend all training sessions.
- b) Maintenance of an adequate classroom notebook is required. Factors to be considered in rating the notebook are neatness, legibility, accuracy and sufficiency of content. "Adequate," for purposes of this subsection refers to:
- 1) Neatness. Concise organization of the notes. All notes and handouts will be placed in the book received during the course. Dividers into topics are required; and
 - 2) Legibility. Recording of notes in brief, clear complete sentences. Underlining the important items; and
 - 3) Accuracy. The notes taken in class must precisely reflect the content of the class; and
 - 4) Sufficiency of content. Recording in the recruit's notebook should be in the recruit's own words. The recruit should strive to achieve condensation of the material clearly and concisely. Qualifications in the use of firearms as required by the Peace Officer Training Act (30 ILCS 710) is required.
- d) For each module, the recruit must successfully pass the Board's written module test. The recruit must successfully complete the module. The module tests shall be administered during the second and third sessions unless otherwise determined by the Director. A second failure on a module test shall necessitate the re-taking of the module. If the recruit again fails the module test after re-taking the module, the recruit will not be allowed to continue the Part-Time Basic Training Course and must forfeit the position. In the event the recruit failed

ILLINOIS LAW ENFORCEMENT TRAINING AND STANDARDS BOARD

NOTICE OF ADOPTED RULES

- two different module testing segments, the recruit will not be allowed to continue the Part-Time Basic Training Course and must forfeit the position.
- e) A recruit must successfully pass every module before being eligible to take the Board's Part-Time Police Certification Examination.
- f) The Director shall establish standards of conduct for the recruit while he or she is taking the Part-Time Basic Training Course. These standards shall include demeanor, deportment and compliance with the discipline and regulations of the facility or course.
- g) Each recruit and hiring agency shall provide, on a form prescribed by the Board, certification that the recruit is a person of good character and has not been convicted of a felony offense or a crime involving moral turpitude. The recruit shall immediately, in writing, keep the Board advised of any arrests and convictions while the recruit is undergoing Part-Time Basic Training.
- h) Each recruit employed in or before December 31, 1995, who has not been awarded a certificate attesting to his successful completion of the Part-Time Basic Training Course as prescribed by the Board by December 31, 1997, must forfeit his position, or the employing agency must obtain a waiver from the Board extending the period for compliance. Such waivers shall be issued only for good and justifiable reasons for a waiver include, but are not limited to, unavailability of facility space for training, illness or disability, and the need for the recruit to serve the department during the probationary period.
- i) Each recruit employed on or after January 1, 1996, who has not been awarded a certificate attesting to his successful completion of the Part-Time Basic Training Course as prescribed by the Board within 18 months after his initial Part-Time employment, must forfeit his position. The employing agency must obtain a waiver from the Board extending the period for compliance. Such waivers shall be issued only for good and justifiable reasons. Such waivers shall extend more than 90 days beyond the initial 18 months. Good and justifiable reasons for a waiver include, but are not limited to, unavailability of facility space for training, illness or disability, and the need for the recruit to serve the department during the probationary period.
- j) Each recruit will bring such equipment to training sessions as is required by the Director.
- k) A recruit shall pass the State Part-Time Certification Examination to qualify as a full-time police officer, except as is otherwise provided for in the Act.
- 1) The test shall be in writing. It shall be administered by the staff of the Board, or such other testing company or association expressly authorized by the Board; and
 - 2) The Board shall establish a minimum passing score. In establishing the minimum passing score, the Board will ensure

ILLINOIS LAW ENFORCEMENT TRAINING AND STANDARDS BOARD

NOTICE OF ADOPTED RULES

- that the score reflects the knowledge and competency of the recruit for law enforcement work. The minimum passing score will be established by the Board within the range of 80 to 80 percent of the total score. At the beginning of the training course, the recruit will be given a written test. The training course shall be the part of law enforcement officers may include, but not be limited to, material in the areas as specified in Section 7(b) of the Act and subjects covered in the Peace Officer Firearms Training Act (30 ILCS 710); and
- 4) The content of the test for part-time officers may include, but not be limited to, materials in the areas specified in 20 ILCS 110-10; and
 - 5) The Board shall at least biennially review the content of the exam and minimum passing score to ensure they are current and reliable.

Section 1770.206 Procedures for Administration of Part-Time Police Officers Certification Examination

- a) The Certification Examination will be administered to all recruits who successfully complete the Part-Time Basic Training Course certified by the Board, who successfully pass the Certification Examination shall be eligible to receive certification attesting to their successful completion of the part-time basic training requirements.
- c) Examination scores will be reported in writing to the Chief Administrator after the recruit's employing agency within 14 days after the examination date.
- d) Part-time police recruits are required to successfully complete the Certification Examination on one occasion only. There are no requirements for re-qualification.
- e) Only recruits who have been certified by the Board as having met all the requirements of having successfully completed the Part-Time Basic Training Course are eligible to take the Part-Time Certification Examination.
- f) Each recruit must be a part-time police officer and be employed by a local law enforcement agency which is not successfully complete the Certification Examination.
- g) In the event the recruit fails to successfully complete the Certification Examination, the recruit may be allowed to re-take the Certification Examination a maximum of two times. Failure of this test shall result in the recruit not being eligible for certification and the recruit must forfeit his/her position.
- h) In order to be eligible to re-take the Certification Examination, a written request must be submitted by the Chief Administrator of the employing agency. Upon receipt of the written request, the Board shall administer the re-take examination, except as may otherwise be provided in subsection (g).

ILLINOIS LAW ENFORCEMENT TRAINING AND STANDARDS BOARD

NOTICE OF ADOPTED RULES

- 1) Part-time police officers who initially fail to successfully complete the Certification Examination will be administered an alternate re-take examination. The re-take examination will be administered on any successive re-takers.
- 2) The Board will establish and publish the locations with the dates and times for the administration of re-take examinations. Such exams will be given at least twice every six months.
- 3) The Certification Examination will be administered at regional training facilities on the last Saturday of the last month of the Part-Time Basic Training Course.
- 4) The recruit will have 3.5 hours to complete the Part-Time Certification Examination. A recruit will be excused from completing the examination at that session if he/she is ill and excused by the doctor.
- 5) Individuals allowed within the testing area will be limited to Board-approved examination proctors and those who are taking the examination.
- 6) Any recruit who is uncooperative, disruptive or is thought to be cheating during the administration of the Certification Examination will be ordered by the Director to leave his or her examination and will be charged with the violation of the Act. A complete written report of the incident will then be submitted to the Director of the Board and the Chief Administrator of the officer's employing agency. The offending recruit shall have the opportunity within seven days to submit a written report to the Director describing the recruit's version of the event. In such cases it will be left to the discretion of the Director to determine whether the officer has forfeited the examination and whether the recruit is eligible to re-take the Certification Examination. The Director's determination will be based on the nature of the officer's misbehavior and on the supporting evidence of such misbehavior.
- 7) Successful completion of the Part-Time Certification Examination will not be deemed equivalent to or sufficient in and of itself to render said part-time police officer eligible to obtain a waiver of full-time law enforcement basic training or a certificate attesting to equivalent training as a full-time law enforcement officer.

Section 1770.207 Wellness Standards

- a) Each probationary part-time police officer employed on or after January 1, 1996 shall successfully complete the Board's physical fitness tests before being allowed to begin the Part-Time Basic Training Course.
- b) Each probationary part-time police officer employed before January 1, 1996 shall successfully complete the Board's physical fitness tests before beginning the physical skills unit.
- c) Prior to being allowed to attempt any part of the POWER test, each probationary part-time police officer shall provide in writing to the coordinator, on a form approved by the Board, a medical release and

ILLINOIS LAW ENFORCEMENT TRAINING AND STANDARDS BOARD

NOTICE OF ADOPTED RULES

- provide for part-time basic training as required in the Act and contained in this Part.
- c) In the event a Board approved budget must be changed by a mobile team to conform with this Section, the mobile team shall submit revised applications to the Board for further Board approval.
- d) Matching funds required for the non-operational budget requirements under the In-Service Training Act for this Part shall include, but not be limited to, only the salaries of law enforcement probationary part-time and part-time police officers.

Section 1770.304 Board Decisions

The mobile team and its coordinator shall adhere to and follow all directives established by the Board in the course of scheduling, training and certifying part-time police officers. These requirements include, but are not limited to, training, testing, scheduling, discipline, and certification. The Board may also establish disciplinary and certification requirements established by the Board, including disciplinary, maintaining supervisory relationships with recruits, providing facilities, maintaining confidential materials or information deemed confidential by the Board, and informing the Board of its activities, financially and operationally, in the implementation and development of part-time basic training.

ILLINOIS LAW ENFORCEMENT TRAINING AND STANDARDS BOARD

NOTICE OF ADOPTED RULES

Section 1770.304 Physical Fitness Standards

1. SIT AND REACH TEST: This is a measure of the flexibility of the lower back and upper leg area. It is an important area for performing police tasks involving range of motion and is important in preventing lower back problems. The test involves stretching out to touch the toes beyond the extended arms from the sitting position. The score is in the inches reached on a yard stick with 15" being at the toes.

	MALE AGE					FEMALE AGE				
TEST	20-29	30-39	40-49	50-59	60 Plus	20-29	30-39	40-49	50-59	60 Plus
Sit and Reach	16.0	15.0	13.8	12.8	12.0	18.8	17.8	16.8	16.3	15.0
2. 1 MINUTE SIT UP TEST: This is a measure of the muscular endurance of the abdominal muscles. It is an important area for performing police tasks that may involve the use of force and is an important area for maintaining good posture and minimizing lower back problems.										

MALE AGE

FEMALE AGE

TEST	20-29	30-39	40-49	50-59	60 Plus	20-29	30-39	40-49	50-59	60 Plus
1 Minute Sit Up	37	34	28	23	18	31	24	18	13	5

3. 1 REPETITION MAXIMUM BENCH PRESS: This is a maximum weight pushed from the bench press position and measures the amount of force the upper body can generate.

MALE AGE

FEMALE AGE

TEST	20-29	30-39	40-49	50-59	60 Plus	20-29	30-39	40-49	50-59	60 Plus
Maximum Bench Press Ratio	.98	.87	.79	.70	.65	.58	.52	.49	.43	.42

4. 1.5 MILE RUN: This is a timed run to measure the heart and vascular systems' capability to transport oxygen. It is an important area for performing police tasks involving stamina and endurance and to minimize the risk of cardiovascular problems. The score is in minutes and seconds.

MALE AGE

FEMALE AGE

ILLINOIS LAW ENFORCEMENT TRAINING AND STANDARDS BOARD

NOTICE OF ADOPTED RULES

TEST 20-29 30-39 40-49 50-59 60 Plus 20-29 30-39 40-49 50-59 60 Plus
 1.5 13.46 14.31 15.24 16.21 17.38 16.21 16.52 17.53 18.44 19.39
 Mile Run

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: Controlled Substances Act
 2) Code Citation: 77 Ill. Adm. Code 3100
 3) Section Numbers: Adopted Action:
 3100.10 Amendment
 4) Statutory Authority: The Illinois Controlled Substances Act (720 ILCS 370).
 5) Effective Date of Amendments: July 1, 1996
 6) Does this rulemaking contain an automatic repeal date? No
 7) Do these Amendments contain incorporations by reference? No
 8) Date Filed in Agency's Principal Office: July 1, 1996
 9) Date Notice of Proposal Published in Illinois Register: April 12, 1996, at 20 Ill. Reg. 5425

- 10) Has JCPR issued a Statement of Objections to these amendments? No
 11) Difference(s) between proposal and final version: Only style changes were made.
 12) Have all the changes agreed upon by the Agency and JCPR been made as indicated in the agreement letter issued by JCPR? Yes
 13) Will these Amendments replace an Emergency Amendment currently in effect? No
 14) Are there any Amendments pending on this Part? No

- 15) Summary and Purpose of Amendments: Public Act 89-0140, effective January 1, 1996, amended the Illinois Optometric Practice Act of 1987 (225 ILCS 80) to authorize optometrists to use therapeutic pharmaceutical agents (TPAs). Amendments to the rules for the Optometric Practice Act of 1987 (68 Ill. Adm. Code 1320) to implement this change were adopted at 19 Ill. Reg. 17150, effective December 19, 1995. The authorization for optometrists to use TPAs also affects the rules for the Controlled Substances Act. The Illinois Controlled Substances Act empowers the Department of Professional Regulation to promulgate rules relating to the registration and control of the manufacture, distribution and dispensing of controlled substances within this State.

This proposed rulemaking adds therapeutically certified optometrists to

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENTS

the list of physicians, dentists, veterinarians and podiatrists licensed in Illinois, and defined under "Individual Practitioner" (Section 3100.10(b)(7)).

- 16) Information and questions regarding this amended Part shall be directed to:

Department of Professional Regulation
Attention: Jean Courtney
320 West Washington, 3rd floor
Springfield, Illinois 62786
217/785-0813 Fax: 217/782-7645

The full text of the Adopted Amendments begins on the next page:

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENTS

TITLE 77: PUBLIC HEALTH
CHAPTER XV: DEPARTMENT OF PROFESSIONAL REGULATION

PART 3100

CONTROLLED SUBSTANCES ACT

Section	
3100.10	Definitions
3100.20	Copies of This Part
3100.30	Renewal Periods and Fees
3100.40	Time and Method of Payment
3100.50	Separate Registration for Independent Activities
3100.60	Exempted Locations
3100.70	Requirements of Registration
3100.80	Exemption of Agents and Employees: Affiliated Practitioners
3100.90	Time for Application for Registration: Expiration Date
3100.100	Application Fees
3100.110	Filing of Application: Joint Filings
3100.120	Acceptance for Filing: Defective Applications
3100.130	Additional Information
3100.140	Amendments to and Withdrawal of Applications
3100.150	Certificate of Registration: Denial of Registration
3100.160	Suspension or Revocation of Registration
3100.170	Suspension of Registration Pending Final Order
3100.180	Extension of Registration
3100.190	Hearing Officer
3100.200	Hearings and Notices
3100.210	Procedures for Hearing
3100.220	Hearing—Pursuant to Paragraph 1305(b)
3100.230	Default Disposition of a Contested Case
3100.240	Recording of Testimony
3100.250	Recording of Hearing
3100.260	Renewing Applications and Orders
3100.270	Amendments and Modifications in Registration
3100.280	Modification in Registration
3100.290	Termination of Registration
3100.300	Transfer of Registration
3100.310	Security Requirements Generally
3100.320	Factors in Evaluating Physical Security Systems
3100.330	Physical Security Controls for Non-Practitioners
3100.340	Physical Security Controls for Practitioners
3100.350	Other Security Controls for Practitioners
3100.360	Record and Inventorying Requirements Generally
3100.370	Persons Entitled to Issue Prescriptions
3100.380	Purpose of Issue of Prescription
3100.390	Manner of Issuance of Prescription
3100.400	Requirement of Prescription
3100.410	Refilling of Prescription

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENTS

- | | | | | |
|----------|--|--|--|--|
| 3100.420 | Partial Filling of Prescriptions | | | |
| 3100.430 | Prescriptions from Out-of-State Practitioners and Exempt Federal Practitioners | | | |
| 3100.440 | Authority to Make Inspections | | | |
| 3100.450 | Inspections | | | |
| 3100.460 | Failure to Comply with Rules | | | |
| 3100.470 | Addresses for Notices | | | |
| 3100.480 | Suspension or Modification of Rules and Regulations | | | |
| 3100.490 | Construction of Rules and Regulations | | | |
| 3100.500 | Written Order | | | |
| 3100.510 | Paragraph 1312(d) Record Keeping | | | |
| 3100.520 | Emergency Medication Kits | | | |
| 3100.530 | Transfer Between Pharmacies of Prescription Information for Refill Purposes | | | |

AUTHORITY: Implementing and authorized by the Illinois Controlled Substances Act [720 ILCS 570].

SOURCE: Rules and Regulations promulgated by the Administration of the Illinois Controlled Substances Act, effective October 22, 1975; amended at 3 Ill. Reg. 38, p. 377, effective September 20, 1979; amended at 4 Ill. Reg. 46, p. 1397, effective November 5, 1980; amended at 5 Ill. Reg. 3528, effective March 25, 1981; amended at 5 Ill. Reg. 8693, effective August 12, 1981; amended at 6 Ill. Reg. 10015, effective August 5, 1982; modified at 8 Ill. Reg. 543; amended at 8 Ill. Reg. 2398, effective February 9, 1984; amended at 8 Ill. Reg. 18346, effective August 23, 1984; amended at 11 Ill. Reg. 18246, effective February 1, 1988; at 12 Ill. Reg. 2322, amended at 4.0. Ill. Reg. 90.63, effective January 1, 1995.

Section 3100.10 Definitions

- a) Authority: This Part is made and issued by the Department of Professional Regulation pursuant to the Illinois Controlled Substances Act (720 ILCS 570) and the State's existing regulatory framework, which requires the Department to promulgate rules relating to the registration and control of the manufacture, distribution and dispensing of controlled substances within this State.
- b) Definitions: Unless the context clearly requires otherwise, the following terms have the meanings ascribed to them appearing

- "Act" means the Illinois Controlled Substances Act (720 ILCS 570) and any amendments thereto.

- 27 "Basic Class"--is defined as set forth in Title 21, Chap. II,

DEPARTMENT OF PROFESSIONAL REGISTRATION

NOTICE OF ADOPTED AMENDMENTS

Sec. 1301.02 of the Federal Regulations relating to Food and Drugs (21 CFR 1301.02).

34. "Controlled Substances Code Number"--means the number assigned to controlled substances and controlled drug products by the Drug Enforcement Administration of the Department of Justice.
44. "Department"--means the Department of Professional Regulation of the State of Illinois.
54. "Director"--means the Director of the Department of Professional Regulation of the State of Illinois.
64. "Hearing Officer"--means either the Director or any person he/she appoints to act in his/her stead in the performance of his/her duties and shall have full and complete authority of this Part. Such person shall have full and complete authority to receive evidence, decide evidentiary questions, issue subpoenas and otherwise conduct a hearing.
74. "Individual Practitioner"--means a physician, dentist, veterinarian, or podiatrist or chemically certified optometrist licensed in the State of Illinois to practice his/her profession.
84. "Institutional Practitioner"--means a hospital or other party (other than an individual) licensed, registered or otherwise permitted by the State of Illinois to dispense a controlled substance with the course of professional practice but does not include a pharmacy.
94. "Registrant"--means a person or party registered under or holding a certificate of registration pursuant to the Act.

Source: Amended at 20 Ill. Reg. 9063 effective JUL 1 1996

[illegible]

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENTS

1) Heading of the Part: Optometric Practice Act of 1987

2) Code Citation: 68 Ill. Adm. Code 1320

3) Section Numbers: Adopted Action:

1320.315 New Section

4) Statutory Authority: The Optometric Practice Act of 1987(225 ILCS 80)

5) Effective Date of Amendments: July 1, 1996

6) Does this rulemaking contain an automatic repeal date? No

7) Do these Amendments contain incorporations by reference? No

8) Date filed in Agency's Principal Office: July 1, 1996

9) Date Notice of Proposal Published in Illinois Register: April 12, 1996,
at 20 Ill. Reg. 5430.

10) Has ICAR issued a Statement of Objections to these amendments? No

11) Difference(s) between proposal and final version: Only nonsubstantive changes were made to improve clarity.

12) Have all the changes agreed upon by the Agency and ICAR been made as indicated in the agreement letter issued by ICAR? Yes

13) Will these Amendments replace an Emergency Amendment currently in effect?
No

14) Are there any Amendments pending on this Part? No

15) Summary and Purpose of Amendments: This rulemaking establishes that a therapeutically certified licensed optometrist, in order to prescribe non-narcotic controlled substance oral analgesic therapeutic ocular pharmaceutical agents, must apply for a controlled substance license pursuant to 77 Ill. Adm. Code 3100.

16) Information and questions regarding this amended Part shall be directed to:

Department of Professional Regulation
Attention: Jean Courtney
320 West Washington, 3rd floor
Springfield, Illinois 62786
217/785-0813 Fax: 217/782-7645

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENTS

The full text of the Adopted Amendments begins on the next page.

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENTS

TITLE 68: PROFESSIONS AND OCCUPATIONS
CHAPTER VIII: DEPARTMENT OF PROFESSIONAL REGULATION
SUBCHAPTER B: PROFESSIONS AND OCCUPATIONS

PART 1320

OPTOMETRIC PRACTICE ACT OF 1987

SUBPART A: OPTOMETRY

Section	
1320.20	Approved Programs of Optometry
1320.30	Application for Licensure
1320.40	Examinations
1320.45	Fees (Emergency Expired)
1320.50	Endorsement
1320.55	Renewals (Renumbered)
1320.60	Inactive Status
1320.65	Restoration
1320.70	Continuing Education
1320.80	Minimum Eye Examination
1320.95	Minimum Eye Examination
1320.100	Practice of Optometry
1320.110	Advertising
1320.120	Granting Variances (Renumbered)

SUBPART B: DIAGNOSTIC TOPICAL OCULAR PHARMACEUTICALS

Section	
1320.200	Standards
1320.210	Application for Diagnostic Certification
1320.220	Approved Diagnostic Topical Ocular Pharmacological Training
1320.230	Approved Diagnostic Topical Ocular Pharmaceutical Agents Pursuant to Section 15.1 of the Act
1320.240	Restoration of Diagnostic Certification
1320.250	Endorsement of Diagnostic Certification
1320.260	Renewal of Certification (Repeated)
1320.270	Display of Certification (Repeated)

SUBPART C: THERAPEUTIC OCULAR PHARMACEUTICALS

Section	
1320.300	Definitions and Standards
1320.310	Application for Therapeutic Certification
1320.320	Approved Therapeutic Ocular Training
1320.330	Approved Therapeutic Ocular Pharmaceutical Agents Pursuant to Section 15.1 of the Act
1320.340	Restoration of Therapeutic Certification

DEPARTMENT OF PROFESSIONAL REGULATION

NOTICE OF ADOPTED AMENDMENTS

1320.350 Endorsement of Therapeutic Certification

SUBPART D: GENERAL

Section	
1320.400	Fees
1320.410	Ancillary Licenses
1320.420	Renewals
1320.430	Granting Variances

AUTHORITY: Implementing the Illinois Optometric Practice Act of 1987 [225 ILCS 901 and authorized by Section 60(7) of the Civil Administrative Code of Illinois (20 ILCS 2105/60(7)).

SOURCE: Adopted at 5 Ill. Reg. 5869, effective June 1, 1981; codified at 5 Ill. Reg. 11046; emergency amendment at 6 Ill. Reg. 916, effective January 6, 1982, for a maximum of 150 days; emergency amendment at 6 Ill. Reg. 2273, effective January 29, 1982, for a maximum of 150 days; amended at 6 Ill. Reg. 7448, effective June 15, 1982; amended at 6 Ill. Reg. 10032, effective August 1, 1982; amended at 9 Ill. Reg. 1092, effective January 11, 1983; amended at 10 Ill. Reg. 7340, effective April 16, 1986; transferred from Chapter 1, 68 Ill. Adm. Code 320 (Department of Registration and Education) to Chapter 11, 68 Ill. Adm. Code 1320 (Department of Professional Regulation) pursuant to P.A. 95-225, effective January 1, 1988, at 12 Ill. Reg. 1821; emergency amendment at 12 Ill. Reg. 1975, effective January 1, 1989, for a maximum of 150 days; 27 Ill. Reg. 1985, effective May 30, 1989; amended at 12 Ill. Reg. 1147, effective June 27, 1995; amended at 11 Ill. Reg. 1394, effective April 25, 1989; amended at 11 Ill. Reg. 1128, effective August 15, 1990; amended at 11 Ill. Reg. 18096, effective October 4, 1993; added at 11 Ill. Reg. 2501, effective December 1, 1993; amended at 9 Ill. Reg. 17150, effective December 19, 1993; amended at 10 Ill. Reg. 9068, effective JUL 1 1996.

SUBPART C: THERAPEUTIC OCULAR PHARMACEUTICALS

Section 1320.315 Controlled Substance License Requirement

Therapeutically controlled licensed optometrists, in order to prescribe non-pharmaceutical controlled substance oral analgesic therapeutic ocular pharmaceutical agents as set forth in Section 1320.320(a)(7), shall apply for a controlled substance license pursuant to 77 Ill. Adm. Code 2100. The license is limited to prescribing Schedule II, III, IV, and V non-pharmaceutical oral analgesic agents in accordance with the Illinois Controlled Substances Act 120 ILCS 371/1.

(Source: Added JUL 1 1996 20 Ill. Reg. 9068, effective JUL 1 1996)

DEPARTMENT OF PUBLIC AID
NOTICE OF ADOPTED AMENDMENTS

DEPARTMENT OF PUBLIC AID

NOTICE OF ADOPTED AMENDMENTS

1) Heading of the Part: Developmental Disabilities Service

2) Code Citation: 89 Ill. Adm. Code 144

3) Section Numbers: Adopted Action:
144.25 New Section
144.300 Amendment

4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code [305 ILCS 5/12-13]

5) Effective Date of Amendments: June 28, 1996

6) Does this rulemaking contain an automatic renewal date? No

7) Do these amendments contain incorporations by reference? No

8) Date filed in Agency's Principal Office: June 28, 1996

9) Notice of Proposal Published in Illinois Register:

Section 144.25 Section 144.300
March 22, 1996 (20 Ill. Reg. 4576) March 8, 1996 (20 Ill. Reg. 4035)

10) Has JCAR issued a Statement of Objections to these Adopted Amendments? No

11) Differences between Proposal and final version:

Section 144.25

Subsection (a)(1) has been revised by adding "(see 89 Ill. Adm. Code 140.642)," after "comprehensive assessment".

In subsection (a)(1)(B)(i), both occurrences of "condition" have been changed to "condition".

In subsection (a)(1)(B)(iv), "insubstantial" has been changed to "in substantial".

Section 144.300

In subsection (c)(3), the date "(1994)" has been added after the CFR reference.

No other changes have been made in the text of the proposed amendments.

12) Have all the changes agreed upon by the agency and JCAR been made as

13) Will these Amendments replace Emergency Amendments currently in effect?
No

14) Are there any Amendments pending on this Part? Yes

Sections	Proposed Action	Illinois Register Citation
144.50	Repeal; New Section April 12, 1996 (20 Ill. Reg. 5434)	
144.100	Repeal; New Section May 24, 1996 (20 Ill. Reg. 7702)	

15) Summary and Purpose of Amendments:

Section 144.25

These amendments to Section 144.25 describing ICF/MR service criteria are related amendments to changes being adopted in Section 140.642 regarding universal preadmission screening. Universal screening is required by Public Act 89-21 and will apply to all nursing facility admissions, effective July 1, 1996. Since all of the changes being adopted in Section 140.642 pertain to nursing facility services, old language in this section concerning ICF/MR eligibility criteria has been moved to 89 Ill. Adm. Code 144, Developmental Disabilities Service.

These amendments will not result in any budgetary changes for the Department, or for the Department of Mental Health and Developmental Disabilities, which is responsible for the ICF/MR program.

Section 144.300

These amendments provide for an add-on of \$10 per resident day for the costs of proprietary and periodontal services for residents of small scale ICF/MR facilities with four or six beds. The \$10 add-on for dental care is a component of the reimbursement provisions for ICF/MR facilities found in Section 144.275(d)(4). However, when Section 144.300 was drafted to address the unique reimbursement requirements of small facilities with only four or six beds, the \$10 dental add-on was inadvertently omitted. Additionally, a reference is being added to Section 144.300 concerning an add-on of \$10 per resident day for emergency dental services which is paid to all ICF/MR services. These amendments are being added to the Illinois Medicaid funded residential facilities for persons with developmental disabilities.

These amendments are expected to result in an annual increase in spending of approximately \$29,000. Reimbursement for the maintenance of the ICF/MR

DEPARTMENT OF PUBLIC AID

NOTICE OF ADOPTED AMENDMENTS

3497, effective February 28, 1992; amended at 16 Ill. Reg. 5898, effective March 20, 1992; amended at 17 Ill. Reg. 8178, effective June 1, 1993; amended at 17 Ill. Reg. 11480, effective July 16, 1993; emergency amendment at 17 Ill. Reg. 15126, effective September 2, 1993, for a maximum of 150 days; emergency amendment suspended effective October 12, 1993; emergency amendment repealed at 17 Ill. Reg. 22582, effective December 20, 1993; emergency amendment at 18 Ill. Reg. 11314, effective July 1, 1994, for a maximum of 150 days; amended at 18 Ill. Reg. 16619, effective October 27, 1994; amended at 19 Ill. Reg. 2890, effective February 24, 1995; amended at 19 Ill. Reg. 7906, effective June 5, 1995; amended at 20 Ill. Reg. 6916, effective May 6, 1996; amended at 20 Ill. Reg. 9076, effective JUN 28 1996.

Section 144.25 ICF/MR Services Criteria Active Treatment-Service-Requirements to-Residential-Facilities-for Individuals-with-Developmental-Disabilities (repealed)

a) The need for ICF/MR services

1) The need for ICF/MR services shall be established through a comprehensive assessment (see 89 Ill. Adm. Code 140.642), the level of assessment that demonstrates that the individual needs active treatment and has either:

a) mental retardation or

b) a related condition that meets all of the following conditions:

- i) It is attributed to cerebral palsy, epilepsy, autism, or any other condition, other than mental illness or infirmities of mind, found to be closely related to mental retardation, because this condition results in limitation of general intellectual functioning or behavior similar to that of mentally retarded persons, or
- ii) those required for those persons of services similar to those required for those persons.

iii) It is manifested before the person reaches age 22.

- iv) It is likely to continue indefinitely.
- v) It results in substantial functional limitations in three or more of the following areas of major life activity: self care, understanding and use of language, learning, mobility, self direction, capacity for independent living.

2) Active treatment is defined by federal regulations at 42 CFR 483.410(a) as a program of specialized and generic training, treatment, health services and related services that is directed toward the acquisition of the behaviors necessary for the client to function with as much self-determination and independence as possible and the prevention or deceleration of regression or loss of independent functional capacity. Active treatment does not include institutionalization, shelter care, independent clients who are able to function with little supervision or in the absence of

DEPARTMENT OF PUBLIC AID

NOTICE OF ADOPTED AMENDMENTS

a continuous active treatment program.

3) No applicant for ICF/MR services meeting the above criteria shall be found to be ineligible for such services due to a need for the treatment of a mental condition or a need for such services due to a deficit of mental retardation, or shall such an applicant be denied ICF/MR services due to any medical needs, or maladaptive behavior, except as otherwise described in this Section.

b) Need for ICF/MR (SNF/PD license) services

1) ICF/MR (SNF/PD license) services will only be approved for individuals who are under the age of 21 at the time of admission to the facility.

2) The need for such services shall be established through a comprehensive assessment, the level of assessment that demonstrates that the individual has a medical/physical condition requiring skilled nursing care, or has mental retardation or a related condition and/or a severe medical or physical disability or a combination of severe disabilities.

(Source: Section repealed at 18 Ill. Reg. 16619, effective October 27, 1994; new Section adopted at 20 Ill. Reg. 9076, effective JUN 28 1996.)

JUN 28 1996

Section 144.300 Reimbursement for Program (Active Treatment) Costs in Small Scale Residential Facilities

Small scale residential facilities (ICF/MR) with four or six beds for clients with developmental disabilities will be reimbursed for an active treatment program for each client. Facility program reimbursement levels will be derived by the Department of Mental Health and Developmental Disabilities from the following three determinants which in combination will result in a total facility program per diem amount. These three determinants will be determined according to information provided in the most recent inspection of Care (IOC) conducted by Department of Public Health survey staff. This IOC information must be validated by the survey staff prior to utilization for payment purposes. The new reimbursement level will be effective on the first day of the quarter following a facility's IOC, where dollar, wage, or salary amounts will be made. These rates shall be inflated to the fiscal year for which reimbursement will be made.

a) Minimum Staffing

1) Direct Services

a) Reimbursement for direct services is based on a direct service staffing pattern which is specific to small scale ICF/MR facilities. Facilities must be in compliance with minimum average daily staffing standards relative to client population according to each individual's overall level of functioning. The overall level of functioning for each client is determined according to the method described in Section 144.275 (a)(1)(A)(i) and (ii), and Sections

DEPARTMENT OF PUBLIC AID

NOTICE OF ADOPTED AMENDMENTS

144. Tables D and E. The direct service staffing patterns based on the size of the residential setting and the overall level of functioning of the client population are:

Overall Level of Client Functioning

FTE Staff

4-Person ICF/MR

Mild 2.13

Moderate 3.88

Severe or Profound 5.93

6-Person ICF/MR

Mild 3.12

Moderate 5.02

Severe or Profound 6.84

*FTE = Full Time Equivalent

B) Reimbursement will be calculated according to the total direct service FTE staff derived from the weighted average of the FTE staff for levels of functioning in the moderate and severe categories within the small scale facility. After the total FTE staff are determined, the per diem amount is obtained according to the method in Section 144.275(a)(1)(C)(i).

C) The reimbursement for a client residing in a small scale ICF/MR who has been found to be ineligible for ICF/MR services, as a result of the facility's Interdisciplinary Team (IDT) process or an IOC determination, will be at the mid level of overall functioning for not more than one year from the quarter following the determination of ineligibility. If the client has not been discharged in accordance with Section 144.250 by the end of the one year period, reimbursement will be made at the Department's sheltered care rate. The sheltered care rate will be payment in full for all program, capital and support costs for such clients.

D) Reimbursement for a client admitted to a small scale ICF/MR who is found to be ineligible, or who is without a determination of eligibility, for admission screening process, will be set at the sheltered care rate. The sheltered care rate will be payment in full for all program, capital and support costs. Payment for services for each client who has not been found eligible for the ICF/MR program upon admission will terminate 30 days following the

DEPARTMENT OF PUBLIC AID

NOTICE OF ADOPTED AMENDMENTS

date of admission. Reimbursement for residential services for such a client which is paid to the facility beyond the 30 day period following admission will be recouped by the Department from the next facility payment or other contractual time period.

E) The facility rate paid will be the weighted average of the total per diem (including capital and support) calculated for eligible clients with mild, moderate and severe/profound levels of overall functioning and the Department's sheltered care rate for clients admitted without previously determined ICF/MR eligibility, or who are ineligible for ICF/MR services as determined by the IDT or IOC process, and remain in the facility for more than one year following the date of admission. The determination of ineligibility.

2) Licensed Nurses
A) If a client requires nursing services due to a physician's plan of care, reimbursement is calculated according to Section 144.275(a)(2)(D). The FTE nurse to client ratios which are specified for ICF/MR facilities with 16 or fewer beds, are also used for a set of small scale ICF/MR facilities as identified by the provider agreements (see 89 Ill. Adm. Code 140.561(a)).

B) The licensed nurse component is computed according to the method in Section 144.275(a)(2)(E).

3) The total reimbursement amount for Minimum Staffing is the sum of the amount for Direct Services staff plus the amount for Licensed Nurses.

b) Active Treatment

1) Qualified Mental Retardation Professional (QMRP) (Section 144.275(b)(1)(A), (B) and (C)).

A) The reimbursement amount paid is based on sixteen clients in the facility. The number of QMRPs is determined by dividing the total number of clients by 16. The number of QMRPs for each facility is determined by dividing the number of clients in the facility by 16. The amount paid for QMRPs is computed according to the method in Section 144.275(b)(1)(D).

2) Interdisciplinary Team (IDT) (Section 144.275(b)(2)(a)) - The amount for services rendered by the IDT is based on one day of IDT services per year for each client. This amount is computed to be \$1.82 per client per day.

3) The total reimbursement amount for Active Treatment is the sum of the amounts for QMRP and IDT.

c) Related Costs

1) An amount per client per day will be paid for other program costs, including program related supplies, consultants and other items necessary for the delivery of active treatment to clients in accordance with their individual program plans.

DEPARTMENT OF PUBLIC AID

NOTICE OF ADOPTED AMENDMENTS

- 2) For each facility, this amount will be determined as follows. Add the amount determined for subsections (a) and (b), but exclude the amount for the IOT. Multiply this sum by the factor determined for the facility's RSA grouping. The product plus the amount for the IOT is then multiplied by the constant of .20.
- 3) An amount will be paid for dental services that are in compliance with the Health Care Financing Administration's regulations (42 CFR 139.40(e), (f) and (g)(1994)) for each client age 21 or more. This amount will be determined by adding the flat per diem of \$3.00 to the amount calculated according to subsection (c)(12) above. This per diem will cover the costs of prophylaxis treatment up to once every six months, and periodontal services as needed for each eligible client. An amount will also be paid for emergency dental services pursuant to section 1412(d)(1) and (2) for each client. The total program per diem for each eligible residential facility will be the sum of the amounts from subsections (a), (b) and (c) of this section.
- d) Total Program Per Diem

(Source: Amended at 20 Ill. Reg. 9072, effective

4-11-2003)

DEPARTMENT OF PUBLIC AID

NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: Medical Payment
- 2) Code Citation: 89 Ill. Adm. Code 140
- 3) Section Numbers: Adopted Action:
140.642 Amendment
- 4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code (305 ILCS 5/12-13)
- 5) Effective Date of Amendments: June 28, 1996
- 6) Does this rule-making contain an automatic repeal clause? No
- 7) Do these Amendments contain incorporations by reference? No
- 8) Date Filed in Agency's Principal Office: June 28, 1996
- 9) Notice of Proposal Published in Illinois Register: March 22, 1996 (20 Ill. Reg. 4531)
- 10) Has JCAR issued a Statement of Objections to these Adopted Amendments? No
- 11) Differences between Proposal and final version: The following changes have been made in the text of the proposed rulemaking during the public comment period.

Subsection (a) has been entirely replaced by the following language:

Beginning July 1, 1996, any individual, except those identified in subsection (c) of this Section, seeking admission to a nursing facility, licensed under the Nursing Home Care Act (210 ILCS 15) or nursing home, shall be screened to determine his or her need for health services pursuant to this Section. Any individual who has been admitted to a nursing facility that operates under the Hospital Licensing Act (210 ILCS 95) or under Section 35 of the Alternative Health Care Delivery Act (210 ILCS 3.35) whose actual length of stay in such a facility exceeds 21 days shall be screened to determine the individual's need for continued nursing facility services. For the purposes of this Section, "nursing facility" means a location licensed under the Nursing Home Care Act (210 ILCS 45) as a skilled or intermediate nursing facility, or a location certified to participate in the Medicare program under Title XVIII of the Social Security Act (42 U.S.C. 301 et seq.) or the Medicaid program under Title XIX of the Social Security Act.

In subsections (b)(1) and (b)(3), "DOA" has been changed to "DOA".

DEPARTMENT OF PUBLIC AID

NOTICE OF ADOPTED AMENDMENTS

Subsection (b)(4) has been entirely replaced by the following language:

For applicants of Medicaid services who are already residing in the facility and were admitted after June 30, 1996, the Department will review and evaluate a copy of the most recent Minimum Data Set (MDS), DORS, or DWDMD, as appropriate. The Department will refer to DORS, DORS or DWDMD, as appropriate, and the resident who appears to be a potential candidate for community placement.

In subsection (b)(6), the following language has been deleted, "Individuals with exceptional circumstances are subject to utilization review as described in subsection (f)."

At the end of subsection (b)(8), the following language has been deleted, "...or authorizing to pay for placement in the facility".

In subsection (b)(9), the following language has been deleted, "However, screening agents shall inform each non-Medicaid individual seeking admission to a nursing facility that Medicaid payment for nursing facility services shall be denied if the screening done at the time of application for Medicaid does not support the need for nursing facility services."

Subsection (c) has been revised to read, "A screening assessment does not apply to an individual who:"

New subsections (c)(3), (4), (5), (6) and (7) have been added as follows:

- 3) resided in a facility for a period of at least 60 days and is returning to a facility after an absence of not more than 60 days; or
- 4) is receiving or will be receiving hospice services; or

- 5) is admitted to a nursing facility from the community for respite care for a period of no more than 15 days; or

- 6) is admitted to a continuing care retirement community with which the individual has a life care contract; or

- 7) is readmitted to a facility after a therapeutic home visit; or

The original subsections (c)(3) and (c)(4) have been relabeled as subsections (c)(8) and (c)(9).

In subsection (d), "77 Ill. Adm. Code 300.APPENDIX A" has been changed to "77 Ill Adm. Code 300.Appendix A".

Subsection (e)(1) has been entirely replaced and new subsection (e)(2) has been added, as follows:

DEPARTMENT OF PUBLIC AID

NOTICE OF ADOPTED AMENDMENTS

- 1) No payment for nursing facility services may be made for individuals who:

A) have been determined eligible or have applied for Medicaid at the point of admission and are admitted on or after July 1, 1996, unless both the screening assessment and a physician's certification, as described in Section 140.514, document a need for such care; or

B) were residing in the facility on, or apply for Medicaid while residing in the facility after, June 30, 1996, unless a physician's certification documents a need for such care.

- 2) where the assessment or the certification do not establish this need, the individual request that a licensed physician designated by DPA review the medical record and certify whether the individual wishes to submit, and certify whether the individual is in need for nursing facility services in the individual's case. The individual will be notified of the right to this review.

The original subsections (e)(2), (e)(3) and (e)(4) have been relabeled as subsections (e)(3), (e)(4) and (e)(5).

New subsection (e)(5) has been revised to read, "For an individual who applies for Medicaid after admission to a facility, DPA will begin payment on the later of:"

All of subsection (f) has been deleted.

The original subsection (g) has been relabeled as subsection (f).

- No other changes have been made in the text of the proposed amendments.

- 12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the agreement letter issued by JCAR? Yes

- 13) Will these amendments replace Emergency Amendments currently in effect? No

- 14) Are there any Amendments pending on this Part? Yes

Sections	Proposed Action	Illinois Register Citation
140-7 Amendment		August 25, 1995 (19 Ill. Reg. 12210)
140-9 Amendment		August 25, 1995 (19 Ill. Reg. 12210)
140-599 Amendment		April 12, 1996 (20 Ill. Reg. 5148)

- 15) Summary and Purpose of Amendments: These amendments describe universal screening for nursing facility services, as required by Public Act 89-21.

DEPARTMENT OF PUBLIC AID

NOTICE OF ADOPTED AMENDMENTS

Effective July 1, 1996, universal screening will be required for all persons seeking admission to a nursing facility to determine if there is a reasonable basis for suspecting that he or she has a developmental disability or severe mental illness, regardless of income, assets or payment source. Long term care coverage under Medicaid will not be provided for a Medicaid eligible individual being admitted to a facility when a determination is made that nursing facility services are not medically necessary.

Since all of the changes that have been adopted in Section 140.642 pertain to nursing facility services, current language in this Section concerning ICF/MR eligibility criteria has been adopted in related amendments to 89 Ill. Adm. Code 144, Developmental Disabilities Services.

It is anticipated that these amendments will result in a withdrawal of Medicaid payment for individuals who are found to be inappropriate for nursing home care. The fiscal year 1997 savings are expected to be approximately \$1.5 million.

16) Information and questions regarding these Adopted Amendments shall be directed to:

Name: Joanne Jones
Bureau of Rules and Regulations
Illinois Department of Public Aid
100 North Dearborn Avenue, Third Floor
Springfield, Illinois 62762
Telephone: (217) 524-0981

The full text of the Adopted Amendments begins on the next page.

DEPARTMENT OF PUBLIC AID

NOTICE OF ADOPTED AMENDMENTS

TITLE 89: SOCIAL SERVICES
CHAPTER I: DEPARTMENT OF PUBLIC AID
SUBCHAPTER 4: MEDICAL PROGRAMS

PART 140

MEDICAL PAYMENT

SUBPART A: GENERAL PROVISIONS

Section	Incorporation By Reference
140.1	Medical Assistance Programs
140.2	Covered Services for Medical Assistance Programs
140.3	Covered Medical Services for Pregnant Women for Non-pregnant Persons who are 18 years of age or older
140.4	Covered Medical Services for Pregnant Women for Non-pregnant Persons who are 18 years of age or older
140.5	Covered Medical Services Under General Assistance
140.6	Medical Assistance Provided to Individuals Under the Age of Eighteen
140.7	Medical Assistance Provided to Individuals Under the Age of Eighteen
140.8	Medical Assistance for Qualified Severely Impaired Individuals
140.9	Medical Assistance for a Pregnant Woman Who Would Not Be Categorically Eligible for AFDC/AFDC-WAIVE if the Child Were Already Born or Who Do Not Qualify as Mandatory Categorically Needy
140.10	Medical Assistance Provided to Incarcerated Persons

SUBPART B: MEDICAL PROVIDER PARTICIPATION

Section	Enrollment Conditions for Medical Providers
140.11	Participation Requirements for Medical Providers
140.12	Denial of Application to Participate in the Medical Assistance Program
140.13	Recovery of Money
140.14	Termination or Suspension of a Vendor's Eligibility to Participate in the Medical Assistance Program
140.15	Suspension of a Vendor's Eligibility to Participate in the Medical Assistance Program
140.16	Effect of Termination on Individuals Associated with Vendor
140.17	Application to Participate or for Reinstatement Subsequent to Termination, Suspension or Barred
140.18	Submission of Claims
140.19	Covered Medicaid Services for Qualified Medicare Beneficiaries (QMBs)
140.20	Payment of Claims
140.21	Payment of Claims
140.22	Payment of Claims
140.23	Payment of Claims
140.24	Payment of Claims
140.25	Payment of Claims
140.26	Payment to Factors Prohibited

DEPARTMENT OF PUBLIC AID

NOTICE OF ADOPTED AMENDMENTS

140.27 Assignment of Vendor Payments
140.28 Record Requirements for Medical Providers
140.30 Emergency Services Audits
140.31 Prohibition on Participation, and Special Permission for
140.32 Participation on Participation, and Special Permission for
140.33 Publication of List of Terminated, Suspended or Banned Entities
140.35 False Reporting and Other Fraudulent Activities
140.40 Prior Approval for Medical Services or Items
140.41 Prior Approval in Cases of Emergency
140.42 Limitation on Prior Approval
140.43 Post Approval for Items or Services When Prior Approval Cannot Be
140.55 Obtained
140.56 Recipient Eligibility Verification (REV) System
140.71 Reimbursement for Medical Services Through the Use of a C-13 Invoice
140.72 Voucher Advance Payment and Expedited Payments
140.73 Drug Manual Updates (Recodified)
140.73 Drug Manual Updates (Recodified)

SUBPART C: PROVIDER ASSESSMENTS

Section
140.80 Hospital Provider Fund
140.82 Developmentally Disabled Care Provider Fund
140.84 Long Term Care Provider Fund
140.94 Medicaid Developmentally Disabled Provider Participation Fee Trust
Fund/Medicaid Long Term Care Provider Participation Fee Trust Fund
140.95 Hospital Services Trust Fund
140.96 General Requirements (Recodified)
140.97 Special Requirements (Recodified)
140.98 Covered Hospital Services (Recodified)
140.99 Hospital Services Not Covered (Recodified)
140.100 Limitation On Hospital Services (Recodified)
140.101 Transplants (Recodified)
140.102 Heart Transplants (Recodified)
140.103 Bone Marrow Transplants (Recodified)
140.104 Bone Marrow Transplants (Recodified)
140.110 Disproportionate Share Hospital Adjustments (Recodified)
140.116 Payment for Disproportionate Share Services (Recodified)
140.117 Hospital Outpatient Services (Recodified)
140.200 Payment for Hospital Services (Recodified)
140.201 Payment for Hospital Services After Fiscal Year 1992 (Recodified)
140.202 Payment for Hospital Services During Fiscal Year 1992 (Recodified)
140.203 Limits on Length of Stay by Diagnosis (Recodified)
140.300 Payment for Pre-operative Days and Services Which Can Be Performed in
an Outpatient Setting (Recodified)
140.350 Outpatient Setting (Recodified)
140.360 Payment Methodology (Recodified)

DEPARTMENT OF PUBLIC AID

NOTICE OF ADOPTED AMENDMENTS

140.361 Non-Participating Hospitals (Recodified)
140.362 Post July 1, 1989 Services (Recodified)
140.363 Post June 10, 1989 Services (Recodified)
140.364 Prepayment Review (Recodified)
140.365 Base Year Costs (Recodified)
140.366 Restructuring Adjustment (Recodified)
140.367 Inflation Adjustment (Recodified)
140.368 Volume Adjustment (Repealed)
140.369 Groupings (Recodified)
140.370 Rate Calculation (Recodified)
140.371 Payment (Recodified)
140.372 Review Procedure (Recodified)
140.373 Utilization (Repealed)
140.374 Alternatives (Recodified)
140.375 Exemptions (Recodified)
140.376 Utilization, Case-Mix and Discretionary Funds (Repealed)
140.377 Substance Alcoholism and Substance Abuse Services (Recodified)
140.378 Substance Alcoholism and Substance Abuse Services (Recodified)
140.382 Types of Substance Alcoholism and Substance Abuse Services (Recodified)
140.394 Payment for Substance Alcoholism and Substance Abuse Services (Recodified)
140.396 Rate Appeals for Substance Alcoholism and Substance Abuse Services (Recodified)
140.398 Hearings (Recodified)

SUBPART D: PAYMENT FOR NON-INSTITUTIONAL SERVICES

Section
140.400 Payment to Practitioners, Nurses and Laboratories
140.410 Physicians' Services
140.411 Covered Services By Physicians
140.412 Services Not Covered By Physicians
140.413 Limitation on Physician Services
140.414 Requirements for Prescriptions and Dispensing of Pharmacy
140.415 Ophthalmic Services and Materials
140.417 Limitations on Ophthalmic Services
140.418 Department of Corrections Laboratory
140.420 Dental Services
140.421 Limitations on Dental Services
140.422 Requirements for Prescriptions and Dispensing Items of Pharmacy
Items - Dentists
140.425 Podiatry Services
140.426 Limitations on Podiatry Services
140.427 Requirement for Prescriptions and Dispensing of Pharmacy
Items - Podiatry
140.428 Chiropractic Services

DEPARTMENT OF PUBLIC AID

NOTICE OF ADOPTED AMENDMENTS

140.429	Limitations on Chiropractic Services (Repealed)
140.430	Independent Laboratory Services
140.431	Services Not Covered by Independent Laboratory
140.432	Limitations on Independent Laboratory Services
140.433	Payment for Laboratory Services
140.434	Nurse Supervisors for Independent Laboratories
140.435	Limitations on Nurse Services
140.436	Pharmacy Services
140.437	Pharmacy Services Not Covered
140.438	Prior Approval of Prescriptions
140.439	Filling of Prescriptions
140.440	Compounded Prescriptions
140.441	Legend Prescription Items (Not Compounded)
140.442	Over-the-Counter Items
140.443	Reimbursement
140.444	Returned Pharmacy Items
140.445	Payment of Pharmacy Items
140.446	Record Requirements for Pharmacies
140.447	Mental Health Clinic Services
140.448	Definitions
140.449	Types of Mental Health Clinic Services
140.450	Payment for Mental Health Clinic Services
140.451	Hearings
140.452	Therapy Services
140.453	Prior Approval for Therapy Services
140.454	Payment for Therapy Services
140.455	Clinic Services
140.456	Clinic Participation, Data and Certification Requirements
140.457	Covered Services in Clinics
140.458	Clinic Service Payment
140.459	Healthy Moms/Healthy Kids Managed Care Clinics (Repealed)
140.460	Speech and Hearing Clinics (Repealed)
140.461	Rural Health Clinics
140.462	Independent Clinics
140.463	Hospice
140.464	Home Health Services
140.465	Home Health Care Services
140.466	Home Health Care Services
140.467	Prior Approval for Home Health Services
140.468	Medical Equipment, Supplies and Prosthetic Devices
140.469	Medical Equipment, Supplies and Prosthetic Devices for Which Payment Will Not Be Made
140.470	Limitations on Equipment, Supplies and Prosthetic Devices
140.471	Prior Approval for Medical Equipment, Supplies and Prosthetic Devices
140.472	Limitations, Medical Supplies
140.473	Equipment Rental Limitations

DEPARTMENT OF PUBLIC AID

NOTICE OF ADOPTED AMENDMENTS

140.481	Payment for Medical Equipment, Supplies and Prosthetic Devices
140.482	Family Planning Services
140.483	Payment for Family Planning Services
140.484	Healthy Kids Program
140.485	Limitations on Medichex Services (Repealed)
140.486	Healthy Kids Program Timeline Standards
140.487	Periodicity Schedule, Immunizations and Diagnostic Laboratory Procedures
140.488	Medical Transportation
140.489	Limitations on Medical Transportation
140.490	Payment for Helicopter Transportation
140.491	Psychological Services
140.492	Payment for Psychological Services
140.493	Hearing Aids
140.494	Long Term Care Services
140.495	Cessation of Payment at Federal Direction
140.496	Cessation of Payment for Improper Level of Care
140.497	Cessation of Payment Because of Termination of Facility
140.498	Continuation of Payment Because of Threat to Life (Repealed)
140.499	Provider Voluntary Withdrawal
140.500	Continuation of Provider Agreement
140.501	Determination of Need for Group Care
140.502	Long Term Care Services Covered by Department Payment Utilization Control
140.503	Certification Review Plan (Repealed)
140.504	Certifications and Recertifications of Care
140.505	Management of Recipient Funds--Personal Allowance Funds
140.506	Recipient Management of Funds
140.507	Correspondent Management of Funds
140.508	Use or Accumulation of Funds
140.509	Management of Recipient Funds--Local Office Responsibility
140.510	Room and Board Accounts
140.511	Reconciliation of Recipient Funds
140.512	Bed Reserves
140.513	Cessation of Payment Due to Loss of License
140.514	Quality Incentive Program (QUIP) Payment Levels
140.515	Quality Incentive Standards and Criteria for the Quality Incentive Program (QUIP) (Repealed)
140.516	Quality Incentive Survey (Repealed)
140.517	Payment of Quality Incentive (Repealed)
140.518	Reviews (Repealed)

SUBPART E: GROUP CARE

DEPARTMENT OF PUBLIC AID

NOTICE OF ADOPTED AMENDMENTS

140.530	Basis of Payment for Long Term Care Services
140.531	General Service Costs
140.532	Health Care Costs
140.533	General Administration Costs
140.534	Ownership Costs
140.535	Costs for Interest, Taxes and Rent
140.536	Organization and Pre-Operating Costs
140.537	Costs for Related Organizations
140.538	Special Care Training and Testing
140.539	Nurses' Aide Training and Testing
140.540	Costs Associated With Nursing Home Care Reform Act and Implementing Regulations
140.541	Salaries Paid to Owners or Related Parties
140.542	Cost Reports-Filing Requirements
140.543	Time Standards for Filing Cost Reports
140.544	Access to Cost Reports (Repealed)
140.545	Penalty for Failure to File Cost Reports
140.550	Update of Operating Costs
140.551	General Service Costs
140.552	Nursing and Program Costs
140.553	General Administrative Costs
140.554	Component Inflation Index
140.555	Minimum Wage
140.560	Components of the Base Rate Determination
140.561	Salaries and Components
140.562	Nursing Costs
140.563	Capital Costs
140.565	Kitchen Reimbursement
140.566	Out-of-State Placement
140.567	Level II Incentive Payments (Repealed)
140.568	Duration of Incentive Payments (Repealed)
140.569	Clients With Exceptional Care Needs
140.570	Capital Rate Component Determination
140.571	Capital Rate Calculation
140.572	Total Capital Rate
140.573	Other Capital Provisions
140.574	Capital Rates for Rented Facilities
140.575	Newly Constructed Facilities (Repealed)
140.576	Renovations (Repealed)
140.577	Capital Costs for Rented Facilities (Renumbered)
140.578	Property Taxes
140.579	Shared Living Centers
140.580	Mental Health Improvements (Repealed)
140.581	Qualifying for Mandated Capital Improvement (Repealed)
140.582	Cost Adjustments
140.583	Campus Facilities
140.584	Illinois Municipal Retirement Fund (IMRF)
140.590	Audit and Record Requirements

DEPARTMENT OF PUBLIC AID

NOTICE OF ADOPTED AMENDMENTS

140.642	Screening Assessment for Nursing Facility Long-Term-Care and Alternative Residential Settings and Services
140.643	Home Care Program Based Services Waivers for Medically Fragile, Technology Dependent, Disabled, or Chronically Ill (DT) Services
140.645	Reimbursement for Developmental Training (DT) Services for Individuals with Developmental Disabilities Who Reside in Long Term Care (ICP AND SNF) and Residential (ICP/SNF) Facilities
140.646	Description of Developmental Training (DT) Services
140.647	Determination of the Amount of Reimbursement for Developmental Training (DT) Programs
140.648	Effective Dates of Reimbursement for Developmental Training (DT) Programs
140.649	Certification of Developmental Training (DT) Programs
140.650	Decertification of Day Programs
140.651	Terms of Assurances and Contracts
140.652	Effective Date Of Payment Rate
140.680	Discharge of Long Term Care Residents
140.686	Appeals of Rate Determinations
140.690	Determination of Cap on Payments for Long Term Care (Repealed)

SUBPART F: MEDICAID PARTNERSHIP PROGRAM

Section	General Description (Repealed)
140.850	Definition of Terms (Repealed)
140.855	Covered Services (Repealed)
140.860	Sponsor Qualifications (Repealed)
140.870	Sponsor Responsibilities (Repealed)
140.875	Department Responsibilities (Repealed)
140.880	Provider Qualifications (Repealed)
140.885	Provider Responsibilities (Repealed)
140.890	Payment Methodology (Repealed)
140.895	Contract Monitoring (Repealed)
140.896	Reimbursement for Program Costs (Active Treatment) for Clients in Long Term Care Facilities for the Developmentally Disabled (Recodified)

SUBPART G: MATERNAL AND CHILD HEALTH PROGRAM

Section	Reimbursement for Nursing Costs For Geriatric Residents in Group Care Facilities (Recodified)
140.900	Punctual Areas of Needs (Recodified)
140.901	Service Needs (Recodified)
140.902	Definitions (Recodified)
140.903	Times and Staff Levels (Repealed)
140.904	Statewide Rates (Repealed)

DEPARTMENT OF PUBLIC AID

NOTICE OF ADOPTED AMENDMENTS

determine the individual's need for continued nursing facility services. For the purposes of this section, "nursing facility" means a location licensed under the Nursing Home Care Act (240 ILCS 15) as a skilled or intermediate nursing facility, or a location certified to participate in the Medicare program under Title XVIII of the Social Security Act (42 U.S.C. 1395r) or the Medicaid program under Title XIX of the Social Security Act.

b) Screening Assessment

1) The Level I to Screen is the first phase of the preadmission screening process. The Level I to Screen is conducted to determine if there is a reasonable basis for suspecting that an individual has developmental disabilities (DD), as defined below. If the individual is alleged to have DD, as defined below, this determination must be placed into the record of the individual with DD or severe MI and be placed into the record of the individual with DD or severe MI. Entities authorized to conduct the Level I to Screen are agents of CPA, Department of Mental Health and Developmental Disabilities (DMDD), Department on Aging (DOA), Department of Rehabilitation Services (DORS), Department of Public Health (DPH), hospitals or nursing facilities.

A) A developmental disability is a disability that is attributable to a diagnosis of mental retardation (mild, moderate, severe, profound, unspecified), or a related condition. A related condition means the individual has been diagnosed as having infantile autism, infantile cerebral palsy or epilepsy, and this condition is manifested before the age of 21; is likely to continue indefinitely; and results in substantial functional limitations in three or more of the following areas of major life activity:

- i) understanding and use of language;
- ii) self-direction;
- iii) learning;
- iv) mobility;
- v) self-direction;
- vi) capacity for independent living.

B) An individual is considered to have a severe mental illness if one or the more of the following diagnoses (schizophrenia; delusional disorder; manic-depressive disorder; psychotic disorder; not otherwise specified; bipolar disorder I - mixed manic and depressive bipolar disorder; psychotic disorder; bipolar disorder; not otherwise specified; major depression; recurrent; and the like) are present in the individual's record, and the individual has functional limitations in at least two of the following areas: self-maintenance; social functioning; community living activities; work related skills.

2) If the Level I to Screen indicates that an individual may have DD or severe MI, a comprehensive assessment, the Level II

DEPARTMENT OF PUBLIC AID

NOTICE OF ADOPTED AMENDMENTS

assessment, except as defined in subsection (b)(7), is conducted by DMDD designated preadmission screening (PAS) agents concerning the need for nursing facility services and the need for specialized services.

3) For specialized services, the individual is referred to DOA for a Level II assessment. The individual is referred to DOA (individuals 60 years of age and older) or DORS (individuals 19 through 59 years of age) for a determination of need to assess the need for nursing facility services.

4) For applicants of medical services who are already residing in the facility and were admitted after June 30, 1996, the Department will review and evaluate a copy of the most recent Minimum Data Set (MDS) resident assessment instrument. The Department will refer to DOA, DORS or DMDD, as appropriate, any client need resident who appears to be a potential candidate for community placement.

5) A screening assessment is valid for 30 calendar days from the date of the assessment. For individuals with DD or severe MI, an existing Level II assessment may remain valid after 30 calendar days when the designated DMDD PAS agent updates any component of the assessment which is not current, and confirms the validity of the assessment as reliably reflecting the status of the individual.

6) Due to exceptional circumstances, an individual identified as having DD or MI following a Level I to Screen may be determined to need nursing facility services. The designated PAS agent, in exceptional circumstances must then receive a Level II assessment to determine the individual's need for specialized services related to placement in a nursing facility, except in the specific circumstances noted in subsection (b)(7). Exceptional circumstances include, but are not limited to:

- A) terminal illness with a life expectancy of six months or less; and
 - B) convalescent care (a medically prescribed period of recovery, following acute care, not to exceed 120 calendar days); and
 - C) severe physical illnesses, such as coma, ventilator dependence, functioning at brain stem level or diagnoses such as chronic obstructive pulmonary disease, Parkinson's disease, Huntington's disease, anorectic, lateral sclerosis, and multiple sclerosis.
- 7) A diagnosis of immediate health danger and a related disorder in the case of the individual with DD or severe MI may be admitted to a nursing facility without receiving a Level II assessment to determine the need for specialized services by a DMDD PAS agent. Individuals exempt from a Level II assessment for specialized services are provisional admissions

DEPARTMENT OF PUBLIC AID

NOTICE OF ADOPTED AMENDMENTS

- B) For an individual who applies for Medicaid after admission to a facility:
- 1) If the facility's responsibility to immediately initiate screening activities by contacting the appropriate screening agency is required to complete screening assessments in circumstances where a calendar day after the initial screening request.
 - 2) If the screening assessment and physician certification are completed within 30 days after Medicaid application, payment will be made from the effective date of Medicaid eligibility.
 - 3) If for any reason existing a failure in the date of the screening assessment does not occur within 30 days after Medicaid application, the Department will not begin payment until the date that the screening assessment does occur. The date that the physician certification request is made will be the effective date of Medicaid eligibility, whichever is whichever is later.
- C) For an individual who applies for Medicaid after admission to a SNF, ICP or ICP-WF, and the screening assessment and physician certification requirements are not met within 30 calendar days after admission, payment will be made:
- 1) On the date of admission; or
 - 2) On the effective date of Medicaid eligibility, whichever is later.
- D) For an individual who applies for Medicaid before admission to a SNF, ICP or ICP-WF, and the screening assessment and physician certification requirements are not met within 30 calendar days after admission, payment will be made:
- 1) On the date of admission; or
 - 2) On the effective date of Medicaid eligibility, whichever is later.
- E) For an individual who applies for Medicaid after admission to a SNF, ICP or ICP-WF, and the screening assessment and physician certification requirements are not met within 30 calendar days after admission, payment will be made:
- 1) On the date of admission; or
 - 2) On the effective date of Medicaid eligibility, whichever is later.

(Source: Amended at 20 Ill. Reg. 9081, effective JUN 28 1996)

DEPARTMENT OF REVENUE

NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: Payment of Taxes by Electronic Funds Transfer
- 2) Code Citation: 86 Ill. Adm. Code 750
- 3) Section Numbers: Adopted Action: 750.300 Amendment 750.400
- 4) Statutory Authority: 35 ILCS 120
- 5) Effective Date of Amendment(s): July 2, 1996
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this amendment contain incorporations by reference? No
- 8) Date Filed in Agency's Principal Office: July 2, 1996
- 9) Notice of Proposal Published in Illinois Register: March 29, 1996, 20 Ill. Reg. 5042
- 10) Has JAR issued a Statement of Objections to these Amendments? No
- 11) Differences between proposal and final version: No differences between proposal and final version.
- 12) Have all the changes agreed upon by the Agency and JAR been made as indicated in the agreement letter issued by JAR? Yes
- 13) Will this amendment replace an emergency amendment currently in effect? No
- 14) Are there any amendments pending on this Part? No
- 15) Summary and Purpose of Amendment(s): Section 3 of the Retailers' Occupation Tax Act (the "ROT") provides that a taxpayer who has an average monthly tax liability over the statutory threshold (and average monthly tax liability of \$50,000 or more, effective October 1, 1995) shall make all payments required by rules of the Department by electronic funds transfer. The Department currently requires IR-3 sales tax accelerated payments and ST-1 return payments of those taxpayers over the statutory thresholds to be made by electronic funds transfer. ST-1 and ST-3 return payments for those taxpayers over the statutory threshold are also now required to be made by electronic funds transfer. This rulemaking amends section 750.300 to effect this change.
- 16) Information and questions regarding this adopted amendment shall be directed to:

DEPARTMENT OF REVENUE

NOTICE OF ADOPTED AMENDMENTS

Keith Staats
Associate Chief Counsel - Income Tax
Illinois Department of Revenue
Legal Services Office
101 West Jefferson
Springfield, Illinois 62794
Phone: (217) 782-7055

The full text of the Adopted Amendment begins on the next page:

DEPARTMENT OF REVENUE

NOTICE OF ADOPTED AMENDMENTS

TITLE 96: REVENUE
CHAPTER 1: DEPARTMENT OF REVENUE
PART 750
PAYMENT OF TAXES BY ELECTRONIC FUNDS TRANSFER

Section	Scope of the Program and Rules
750.100	Definitions
750.200	Payments Required to be Paid by Electronic Funds Transfer
750.300	Eligibility Determination and Taxpayer Notification
750.400	Voluntary Program Participation
750.500	Methods of Electronic Funds Transfer Payment
750.600	Payment Transmission Errors
750.700	Payment Notification Requirement
750.800	Due Date: General Provisions
750.900	

AUTHORITY: Implementing and authorized by the Retailers' Occupation Tax Act [35 ILCS 120].

SOURCE: Adopted at 17 Ill. Reg. 18132, effective October 1, 1993; amended at 19 Ill. Reg. 15612, effective October 11, 1994; amended at 20 Ill. Reg. 9111, effective October 11, 1995.

JUL 2 1996

Section 750.300 Payments Required to be Paid by Electronic Funds Transfer

a) Income tax payments

1) Beginning on October 1, 1993, certain withholding tax payments and estimated income tax payments will be required to be paid by electronic funds transfer. The threshold amounts are set by law, change over time, and are detailed below.

2) Beginning on October 1, 1993, a taxpayer who has an average monthly tax liability of \$150,000 or more under Article 7 of the Act shall make all payments required by rules of the Department by electronic funds transfer. Beginning October 1, 1993, a taxpayer who has an average quarterly estimated tax payment obligation of \$450,000 or more under Article 8 of the Act shall make all payments required by rules of the Department by electronic funds transfer. (Section 601.1 of the Illinois Income Tax Act [35 ILCS 5/601.1] (the ITIA))

A) Beginning on October 1, 1994, the threshold for taxpayers who have a withholding liability under Article 7 of the ITIA shall be an average monthly liability of \$100,000 and beginning on October 1, 1995, the threshold drops to an average monthly liability of \$50,000.

B) Beginning on October 1, 1994, the threshold for taxpayers with liability for estimated tax payments under Article 8 of the ITIA drops to an average quarterly estimated tax payment obligation of \$300,000 and, beginning on

DEPARTMENT OF REVENUE

NOTICE OF ADOPTED AMENDMENTS

October 1, 1995, the threshold drops to an average quarterly estimated tax payment obligation of \$10,000.

- 3) The Department will only require payments by electronic funds transfer in those circumstances in which it is cost-effective for the Department to receive payments by electronic funds transfer and where receipt of payments by electronic funds transfer is consistent with the Department's tax processing capabilities.

- 4) Taxpayers over the statutory thresholds will only be required to make certain types of income tax payments by electronic funds transfer.

A) Taxpayers with income tax withholding liabilities over the statutory thresholds shall make IL-501 payments by electronic funds transfer. All other conventional payments by those taxpayers shall be made by electronic funds transfer.

B) Corporate taxpayers, with estimated income and replacement tax liabilities over the statutory thresholds shall make IL-1120 ES payments and IL-505B payments by electronic funds transfer.

C) Individual taxpayers with estimated income tax liabilities over the statutory thresholds shall make IL-1040ES and IL-5031 payments by electronic funds transfer.

D) Any other taxpayers not listed above who incur estimated income tax liabilities over the statutory thresholds will, upon contact by the Department, be required to make subsequent estimated payments by electronic funds transfer as directed by the Department.

E) State and local occupation and use tax payments beginning on October 1, 1995, the Department will require payments by electronic funds transfer. Subsection (b)(4) below sets forth the types of payments that must be made by electronic funds transfer.

2) Beginning October 1, 1991, a taxpayer who has an average monthly tax liability of \$100,000 or more shall make all payments required by rules of the Department by electronic funds transfer. (Section 3 of the Retailers' Occupation Tax Act, ILCS 120/3 ("the ROT"))

A) Beginning October 1, 1994, the threshold for taxpayers required to make payments by electronic funds transfer drops to those taxpayers with average monthly tax liability of \$100,000.

B) Beginning October 1, 1995, the threshold for taxpayers required to make payments by electronic funds transfer drops to those taxpayers with average monthly tax liability of \$50,000.

DEPARTMENT OF REVENUE

NOTICE OF ADOPTED AMENDMENTS

- 3) The Department will only require payments by electronic funds transfer in those circumstances in which it is cost-effective for the Department to receive payments by electronic funds transfer and where receipt of payments by electronic funds transfer is consistent with the Department's tax processing capabilities.

- 4) Taxpayers over the statutory thresholds will only be required to make certain types of income tax payments by electronic funds transfer.

A) Taxpayers with income tax withholding liabilities over the statutory thresholds shall make IL-501 payments by electronic funds transfer. All other conventional payments by those taxpayers shall be made by electronic funds transfer.

B) Corporate taxpayers, with estimated income and replacement tax liabilities over the statutory thresholds shall make IL-1120 ES payments and IL-505B payments by electronic funds transfer.

C) Individual taxpayers with estimated income tax liabilities over the statutory thresholds shall make IL-1040ES and IL-5031 payments by electronic funds transfer.

D) Any other taxpayers not listed above who incur estimated income tax liabilities over the statutory thresholds will, upon contact by the Department, be required to make subsequent estimated payments by electronic funds transfer as directed by the Department.

E) State and local occupation and use tax payments beginning on October 1, 1995, the Department will require payments by electronic funds transfer. Subsection (b)(4) below sets forth the types of payments that must be made by electronic funds transfer.

2) Beginning October 1, 1991, a taxpayer who has an average monthly tax liability of \$100,000 or more shall make all payments required by rules of the Department by electronic funds transfer. (Section 3 of the Retailers' Occupation Tax Act, ILCS 120/3 ("the ROT"))

A) Beginning October 1, 1994, the threshold for taxpayers required to make payments by electronic funds transfer drops to those taxpayers with average monthly tax liability of \$100,000.

B) Beginning October 1, 1995, the threshold for taxpayers required to make payments by electronic funds transfer drops to those taxpayers with average monthly tax liability of \$50,000.

JUL 2 1996

Section 750.400 Eligibility Determination and Taxpayer Notification

Beginning in 1993, before August 1, the Department shall notify all taxpayers required to make payments by electronic funds transfer. For all years after 1991, the Department shall notify, before August 1, only those taxpayers who become required to make payments by electronic funds transfer. All taxpayers required to make payments by electronic funds transfer, and all taxpayers accepted for voluntary participation in the program, must complete an authorization agreement for electronic funds transfer (Department Form 27-11). Taxpayers who use service groups or other agents to make tax payments remain responsible for completing the authorization agreement. Service groups or agents may not sign complete the authorization agreements on behalf of taxpayers. All taxpayers required or permitted to make payments by electronic funds transfer shall make such payments for a minimum of one year beginning on October 1.

(Source: Amended 20 Ill. Reg. 9111, effective

JUL 2 1996

DEPARTMENT OF REVENUE

NOTICE OF ADOPTED AMENDMENTS

1) Heading of the Part: Retailers' Occupation Tax2) Code Citation: 86 Ill. Adm. Code 1303) Section Numbers: Adopted Action:

130.330 Amendment

130.1501 Amendment

130.1952 New Section

4) Statutory Authority: 35 ICS 1205) Effective Date of Amendment(s): July 2, 19966) Does this rulemaking contain an automatic repeal date? No7) Does this amendment contain incorporations by reference? No8) Date Filed in Agency's Principal Office: July 2, 19969) Notices of Protests Published in Illinois Register:

3/29/96, 20 Ill. Reg. 5047

4/19/96, 20 Ill. Reg. 5774

4/12/96, 20 Ill. Reg. 5470

10) Has ICRA issued a Statement of Objections to these Amendments? No11) Differences between proposal and final version:

In Section 130.310:

1. In line 228, struck excess period.

2. In line 331, lower case "the" and struck quotes to reflect current short title style.

3. In lines 332, 345, 416 and 417, corrected ICS site.

4. In lines 433-436, italicized statutory language.

5. In line 444, omitted commas.

In Section 130.1501, line 361, changed comma to a semicolon.

In Section 130.1952:

1. In line 291, omitted period after cite.

DEPARTMENT OF REVENUE

NOTICE OF ADOPTED AMENDMENTS

2. In line 295, changed "part" to "subsection".

3. In lines 282-284, italicized "a retailer" through "paid under".

4. In lines 318, 321, 324, 327, 330, 332, 335, 338 and 341, removed redundant language.

5. In lines 309 and 338, changed comma to semicolon.

6. In line 314, changed "quality" to "qualify".

7. In line 331, changed "are" to "is".

8. In line 341, corrected spelling of "qualify".

9. In line 358, changed "amended" to "added".

12) Have all the changes agreed upon by the Agency and ICRA been made as indicated in the agreement letter issued by ICRA? Yes13) Will this amendment replace an emergency amendment currently in effect? No14) Are there any amendments pending on this Part? YesSection Numbers Proposed Action Illinois Register Citation

130.331

New Section

6/14/96, 20 Ill. Reg. 7773

15) Summary and Purpose of Amendment(s): In response to Public Act 89-420, this rulemaking amends 86 Ill. Adm. Code 130.310 to provide that "food for human consumption that is to be consumed off the premises where it is sold" includes all food sold through a vending machine, except soft drinks and food products that are dispensed not from a vending machine, regardless of the location of the vending machine. In addition, in response to Public Act 89-359, it amends Section 130.110 to provide that the low rate of tax applicable to medical appliances extends to modifications to a motor vehicle for the purpose of restoring it to use by a disabled person. The amendment also clarifies the definition of "seller" that the low rate also applies to dealers for incontinent adults, as well as undergarments for incontinent adults.

In response to Public Act 89-359, this rulemaking amends 86 Ill. Adm. Code 130.1501 to provide that beginning August 17, 1995, a retailer of new motor vehicles may file a claim for credit when a new vehicle that was sold by that retailer has been returned to the manufacturer and the manufacturer has refunded to the customer all or part of the purchase price of that vehicle as provided in Section 3 of the New Vehicle Buyer

DEPARTMENT OF REVENUE

NOTICE OF ADOPTED AMENDMENTS

Production Act (§15 ILCS 350). This rulemaking clarifies that the amount of the claim for credit is to be based on the amount of the purchase price that was refunded to the customer.

The amendments to 130.1942 is rulemaking implementing provisions of Public Act 89-89 concerning sales of building materials to high impact business. Public Act 89-89 provides, in part, that effective January 1, 1995, sales of building materials that will be incorporated into a high impact business location are exempt from Retailers' Occupation Tax. It also provides that effective June 30, 1995, such sales are also exempt from local taxes.

16) Information and questions regarding this adopted amendment shall be directed to:

Terry D. Charlton
Associate Counsel
Illinois Department of Revenue
Treasury Services Office
101 West Jefferson
Springfield, IL 62794
(217) 782-6396

The full text of the Adopted Amendment begins on the next page:

DEPARTMENT OF REVENUE

NOTICE OF ADOPTED AMENDMENTS

TITLE 56: REVENUE

CHAPTER I: DEPARTMENT OF REVENUE

PART 130

RETAILERS' OCCUPATION TAX

SUBPART A: NATURE OF TAX

Section
130.101
130.105
130.110
130.111
130.115
130.115
130.120

Character and Rate of Tax
Responsibility of Trustees, Receivers, Executors or Administrators
Occasional Sales
Sale of Used Motor Vehicles by Leasing or Rental Business
Habitual Sales
Nontaxable Transactions

SUBPART B: SALE AT RETAIL

Section
130.201
130.205
130.205
130.210
130.215
130.220

The Test of a Sale at Retail
Sales for Transfer Incident to Service
Sales of Tangible Personal Property to Purchasers for Resale
Further Illustrations
Sales to Lessors of Tangible Personal Property

SUBPART C: CERTAIN STATUTORY EXEMPTIONS

Section
130.305
130.310
130.315
130.320
130.321
130.325
130.330
130.335
130.340
130.345
130.350

Farm Machinery and Equipment
Food, Drugs, Medicines and Medical Appliances
Fuel Sold for Use in Vessels on Rivers Bordering Illinois
Gasohol
Fuel Used by Air Common Carriers in International Flights
Graphic Arts Machinery and Equipment Exemption
Manufacturing Machinery and Equipment
Pollution Control Facilities
Rolling Stock
Oil Field Exploration, Drilling and Production Equipment
Coal Exploration, Mining, Off Highway Hauling, Processing, Maintenance and Reclamation Equipment

SUBPART D: GROSS RECEIPTS

Section
130.401
130.405
130.410

Meaning of Gross Receipts
How to Avoid Paying Tax on State or Local Tax Passed on to the Purchaser
Cost of Doing Business Not Deductible

DEPARTMENT OF REVENUE

NOTICE OF ADOPTED AMENDMENTS

130-415	Transportation and Delivery Charges
130-416	Change in Interest Charges--Penalties--Discounts
130-418	Deposit or Prepayment on Purchase Price
130-420	State and Local Taxes Other Than Retailers' Occupation Tax
130-430	Penalties
130-445	Federal Taxes
130-450	Installation, Alteration and Special Service Charges
130-455	Motor Vehicle Leasing and Trade-In Allowances
SUBPART E: RETURNS	
Section	
130-501	Monthly Tax Returns--When Due--Contents
130-502	Quarterly Tax Returns
130-505	Returns and How to Prepare
130-510	Annual Tax Returns
130-515	Final Return
130-520	Final Return When Business is Discontinued
130-525	Who May Sign Returns
130-530	Returns Covering More Than One Location Under Same
130-535	Registration--Separate Returns for Separately Registered Locations
130-540	Instances
130-545	Returns on a Transaction by Transaction Basis
130-550	Registrants Must File a Return for Every Return Period
130-555	Filing of Returns for Retailers by Suppliers Under Certain
130-560	Circumstances
130-561	Prepayment of Retailers' Occupation Tax on Motor Fuel
130-565	Vending Machine Information Returns
130-570	Verification of Returns

SUBPART F: INTERSTATE COMMERCE

Section	
130-601	Preliminary Comments
130-605	Sales of Property Originating in Illinois
130-610	Sales of Property Originating in Other States

SUBPART G: CERTIFICATE OF REGISTRATION

Section	
130-701	General Information on Obtaining a Certificate of Registration
130-705	Procedure in Disputed Cases Involving Financial Responsibility
130-710	Requirements
130-715	Procedure When Security Must Be Forfeited
130-720	Sub-Certificates of Registration
130-725	Separate Registrations for Different Places of Business of Same

DEPARTMENT OF REVENUE

NOTICE OF ADOPTED AMENDMENTS

Taxpayer Under Some Circumstances	
Display	130-725
Replacement of Certificate	130-730
Certificate Not Transferable	130-735
Certificate Required for Mobile Vending Units	130-740
Revocation of Certificate	130-745
SUBPART H: BOOKS AND RECORDS	
Section	
General Requirements	130-801
What Records Constitute Minimum Requirement	130-805
Records Required to Support Deductions	130-810
Preservation and Retention of Records	130-815
Preservation of Books During Pendency of Assessment Proceedings	130-820
Department Authorization to Destroy Records Sooner Than Would	130-825
Otherwise be Permissible	
SUBPART I: PENALTIES AND INTEREST	
Section	
Civil Penalties	130-901
Interest	130-905
Criminal Penalties	130-910
SUBPART J: BINDING OPINIONS	
Section	
When Opinions from the Department are Binding	130-1001
SUBPART K: SELLERS LOCATED ON, OR SHIPPING TO, FEDERAL AREAS	
Section	
Definition of Federal Area	130-1101
When Deliveries in Federal Areas Are Taxable	130-1105
No Distinction Between Deliveries on Federal Areas and Illinois	130-1110
Deliveries Outside Federal Areas	
SUBPART L: TIMELY MAILING TREATED AS TIMELY FILING AND PAYING	
Section	
General Information	130-1201
Due Date that Falls on Saturday, Sunday or a Holiday	130-1205
SUBPART M: LEASED PORTIONS OF LESSOR'S BUSINESS SPACE	
Section	
When Lessee of Premises Must File Return for Leased Department	130-1301

DEPARTMENT OF REVENUE

NOTICE OF ADOPTED AMENDMENTS

- 130.1305 When Lessor of Premises Should File Return for Leased Department
130.1310 Meaning of "Lessor" and "Lessee" in this Regulation
- SUBPART N: SALES FOR RESALE
- Section
- 130.1401 Seller's Responsibility to Determine the Character of the Sale at the Time of the Sale
- 130.1405 Seller's Responsibility to Obtain Certificates of Resale and Requirements for Certificates of Resale (Repealed)
- 130.1410 Requirements for Certificates of Resale (Repealed)
- 130.1415 Resale Number-When Required and How Obtained
- 130.1420 Blanket Certificate of Resale (Repealed)
- SUBPART O: CLAIMS TO RECOVER ERRONEOUSLY PAID TAX
- Section
- 130.1501 Claims for Credit--Eliminations--Procedure
- 130.1505 Disposition of Credit Memoranda by Holders Thereof
- 130.1510 Refunds
- 130.1515 Interest
- SUBPART P: PROCEDURE TO BE FOLLOWED UPON SELLING OUT OR DISCONTINUING BUSINESS
- Section
- 130.1601 When Returns are Required After a Business is Discontinued
- 130.1605 When Returns Are Not Required After Discontinuation of a Business
- 130.1610 Cross Reference to Bulk Sales Regulation
- SUBPART Q: NOTICE OF SALES OF GOODS IN BULK
- Section
- 130.1701 Bulk Sales: Notices of Sales of Business Assets
- SUBPART R: POWER OF ATTORNEY
- Section
- 130.1801 When Powers of Attorney May be Given
- 130.1805 Filing of Power of Attorney With Department
- 130.1810 Filing of Papers by Agent Under Power of Attorney
- SUBPART S: SPECIFIC APPLICATIONS
- Section
- 130.1901 Addition Agents to Plating Baths
- 130.1905 Agricultural Products
- 130.1910 Antiques, Curios, Art Work, Collectors' Coins, Collectors' Postage

DEPARTMENT OF REVENUE

NOTICE OF ADOPTED AMENDMENTS

- 130.1915 Stamps and Like Articles
- 130.1920 Auctioneers and Agents
- 130.1925 Barbers and Beauty Shop Operators
- 130.1930 Blacksmiths
- 130.1935 Blacksmiths, Osteopaths and Chiropractors
- 130.1940 Contract for Sale
- 130.1945 Contract Contractors and Real Estate Developers
- 130.1950 Co-Operative Associations
- 130.1955 Dentists
- 130.1960 Enterprise Zones
- 130.1965 Sales of Building Materials to a High Impact Business
- 130.1970 Farm Chemicals
- 130.1975 Finance Companies and Other Lending Agencies - Installment Contracts
- 130.1980 - Repossessions
- 130.1985 Florists and Nurserymen
- 130.1990 Hatcheries
- 130.1995 Operators of Games of Chance and Their Suppliers
- 130.2000 Optometrists and Opticians
- 130.2005 Pawnbrokers
- 130.2010 Peddlers, Hawkers and Itinerant Vendors
- 130.2015 Personalizing Tangible Personal Property
- 130.2020 Persons Engaged in the Printing, Graphic Arts or Related Occupations, and Their Suppliers
- 130.2025 Sales by Nonprofit Service Enterprises and in Similar Enterprises
- 130.2030 Sales by Teacher-Sponsored Student Organizations
- 130.2035 Exemption Identification Number Organizations
- 130.2040 Sales by Nonprofit Service Enterprises
- 130.2045 Persons Who Rent or Lease the Use of Tangible Personal Property to Others
- 130.2050 Persons Who Repair or Otherwise Service Tangible Personal Property
- 130.2055 Physicians and Surgeons
- 130.2060 Picture-Framers
- 130.2065 Public Amusement Places
- 130.2070 Registered Pharmacists and Druggists
- 130.2075 Retailers of Clothing
- 130.2080 Retailers on Premises of the Illinois State Fair, County Fairs, Art Shows, Flea Markets and the Like
- 130.2085 Sales and Gifts by Employers to Employees
- 130.2090 Sales by Governmental Bodies
- 130.2095 Sales by Scientific Societies, Motor Fuel and Tobacco Products
- 130.2100 Sales of Automobiles for Use in Demonstration
- 130.2105 Sales of Containers, Wrapping and Packing Materials and Related Products
- 130.2110 Sales to Construction Contractors, Real Estate Developers and Speculative Builders
- 130.2115 Sales to Governmental Bodies, Foreign Diplomats and Personnel
- 130.2120

DEPARTMENT OF REVENUE

NOTICE OF ADOPTED AMENDMENTS

- malfunctioning part of the body. Such items may be prescribed by licensed health care professionals for the use of patients, purchased by health care professionals for the use of patients, or purchased directly by individuals. Purchases of medical appliances by lessors which will be leased to others for human use also qualify for the exemption. Included in the exemption as medical appliances are such items as artificial limbs, dental prostheses and orthodontic braces, crutches and orthopedic braces, wheelchairs, heart pacemakers, and dialysis machines (including the dialyzer). Corrective medical appliances such as hearing aids, eyeglasses and contact lenses qualify for exemption. Diagnostic equipment shall not be deemed to be a medical appliance, except as provided in Section 130.10(c). Other medical tools, devices and equipment such as x-ray machines, laboratory equipment, and surgical instruments which may be used in the treatment of patients but, which do not directly substitute for a malfunctioning part of the human body, are excluded from the exemption.
- 3) Supplies such as non-sterile cotton pads, disposable diapers, toilet paper, tissues and toilet seats and cosmetics, such as lipstick, perfume and hair tonics do not qualify for the reduced rate. Sterile dressings, bandages and gauze to qualify for the reduced rate. Diapers for incontinent adults, as well as undergarments for incontinent adults, qualify for the low rate of tax.

- d) Insulin, urine testing materials, syringes, and needles used in treating diabetes in human beings qualify for the reduced rate of tax.
(Section 2-10 of the Act)

- e) Modifications Made to a Motor Vehicle for the Purpose of Rendering it Usable by a Disabled Person

- 1) Effective August 17, 1995, modifications made to a motor vehicle, as defined in Section 1-15 of the Illinois Vehicle Code, 625 ILCS 5/1-15, for the purpose of rendering it usable by a disabled person, qualify for the reduced rate of tax. (Section 2-10 of the Act)
- The purpose of this amendment is to clarify the definition of a disabled person, to allow a vehicle or vehicle modification to qualify for the reduced rate of tax, and to enable a disabled person to drive a vehicle or vehicle modification in the transportation of disabled persons. Examples of such modifications include, but are not limited to, special steering, braking, shifting, or acceleration equipment, or equipment which modifies the vehicle for accessibility, such as a chair lift.
- 2) For purposes of this regulation, the term "disabled person" has the same meaning as a "person with disabilities" in Section 1-159.1 of the Illinois Vehicle Code, 625 ILCS 5/1-159.1.

- f) Reporting

- 1) The retailer must keep an actual record of all sales and must report tax at the applicable rates, based on sales as reflected in his records. Books and records must be maintained in sufficient detail so that all receipts reported with respect to

DEPARTMENT OF REVENUE

NOTICE OF ADOPTED AMENDMENTS

Food, drugs, medicines and medical appliances can be supported. The determination of the percentage of sales of food items sold in individual-sized servings referred to in subsections (3)(2)(B) and (3)(3) 289-100-173 above, will be made by comparing the dollar amounts of the gross receipts of the two categories of foods. The determination shall be based upon a period which will generally reflect the true character of overall sales rather than isolated or seasonal variations.

- 2) If a retailer finds it difficult to maintain detailed records of receipts from sales of food, drugs, medicines and medical appliances at the reduced rate, as well as detailed records of receipts from all other sales of tangible personal property at the full rate, he may request the use of a formula. Such requests must be made to the Department in writing and must state the reasons that a formula method is necessary and outline the proposed formula in detail. Included in the request must be a description of each method which can be utilized. The Department will then select the method which is most equitable. Results of findings shall be seasonally appropriate. The actual taxable receipts in each category, if approved, may satisfy its approval for use of such formula. If approval is granted, the Department reserves the right to withdraw approval or require a change in procedure at any time.

(Source: Amended at 20 Ill. Reg. 9116, effective JUL 8 1995)

SUPPORT O: CLAIMS TO RECOVER ERRONEOUSLY PAID TAX

Section 130.1501 Claims for Credit--Limitations--Procedure

a) Limitations Upon Claims

- 1) where a taxpayer under the Retailers' Occupation Tax Act pays to the Department an amount of tax or penalty or interest due under the provisions of the Act, the result of a claim for credit with the Department, beginning August 17, 1995, tax is deemed to be erroneously paid by a retailer when the manufacturer of a motor vehicle sold by the retailer accepts the return of that automobile and refunds to the purchaser the purchase price of the vehicle, as provided in Section 3 of the New Vehicle Buyer Protection Act, 215 ILCS 180/3. The claim is limited to taxes applicable to the purchase price of the automobile refunded to the consumer, which includes all collateral charges required to be included in the sales tax calculation, e.g., documentary fees, but does not include any reasonable allowance for consumer use of the automobile, deducted from the purchase price by the manufacturer. Retailers filing

DEPARTMENT OF REVENUE

NOTICE OF ADOPTED AMENDMENTS

new credit memorandum and delivered to the person entitled to receive delivery thereof.

(Source: Amended at 20 Ill. Reg. **9116**, effective Jul 9 1996.)

SUBPART S: SPECIFIC APPLICATIONS

Section 110.1952. Sales of Building Materials to a High Impact Business

- a) On and after January 1, 1986, and prior to January 1, 1995, a retailer who makes a sale of building materials to a high impact business ("HIB") may file claims for credit or refund to recover the amount of tax paid under the Retailers' Occupation Tax Act, Section 51 of the Act.
- b) Effective January 1, 1995, a deduction from only the 6.25% rate for the Illinois Retailers' Occupation Tax liability exists for gross receipts from retail sales of building materials that will be incorporated into a HIB location as designated by the Department of Commerce and Community Affairs under Section 5.5 of the Illinois Taxpayers' Use Act, Section 51 of the Act. Effective June 10, 1995, a retailer may also deduct receipts from such sales when calculated on a non-deductible local tax basis. Until June 30, 1995, a retailer may deduct receipts from such sales when calculated on a local tax basis for credit or refund as discussed in subsection a). To recover the amount of any applicable local tax paid on such sales, the deduction must have among its books and records a written statement signed by the purchaser setting out facts which establish the deduction. This purchaser's statement must contain the following information:
- a) a certification by the purchaser that the building materials being purchased are being purchased for incorporation into a HIB location;
 - a description of the building materials being purchased that may be done by a cross reference to the retailer's invoice number;
 - the time of the HIB location into which the building materials will be incorporated and, if applicable, the street address of the retailer; and
 - the purchaser's signature and date of signing.

- d) In order to qualify for the deduction, the materials being purchased must be building materials that are HIB location. They must be purchased for eventual incorporation into a HIB location. For example, a retailer's sales of the following items can qualify for the deduction:
- common building materials including lumber, sticks, saws, windows, doors, insulation, roofing materials and sheet metal;
 - plumbing systems and components including pipes, valves, lavatories, sinks, faucets, bathtub drains, water pumps, water heaters, water softeners and water pipes;

DEPARTMENT OF REVENUE

NOTICE OF ADOPTED AMENDMENTS

- heating systems and components thereof such as furnaces, ductwork, vents, stacks, boilers, heating pipes and radiators;
- electrical systems and components thereof such as wiring, outlets and light fixtures which are physically incorporated into the HIB location;
- central air conditioning systems, ventilation systems and components thereof which are physically incorporated into the HIB location;
- built-in cabinets and other woodwork which is physically incorporated into the HIB location;
- built-in appliances such as refrigerators, stoves, ovens and trash compactors which are physically incorporated into the HIB location;
- floor coverings such as tile, linoleum and carpeting which is laid or otherwise permanently affixed to the HIB location and which is not considered to be physically incorporated into the building structure such as stairs, screens, steps and sod which are physically incorporated (i.e., transplanted) into the HIB location;
- Items that are not physically incorporated into a HIB location cannot qualify for the deduction. For example, crosswalks from sidewalks to the following do not qualify for the deduction:
 - tires, machinery, equipment, fuel, forms and other items which may be used by a construction contractor at a HIB location, but which are not physically incorporated into the HIB location;
 - free-standing appliances such as stoves, ovens, refrigerators, washing machines, portable ventilation units, window air conditioning units, lamps, clothes washers, clothes dryers, trash compactors and dishwashers which may be connected to and operate from a building's electrical or plumbing system but which do not become a component of those systems;
 - handed-down carpeting and other floor coverings which are not physically incorporated into the HIB location.

(Source: Added at 20 Ill. Reg. **9116**, effective Jul 9 1996.)

ILLINOIS ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: College Savings Bond Bonus Incentive Grant (BIG) Program
- 2) Code Citation: 23 Ill. Adm. Code 2771
- 3) Section Numbers: Adopted Action:
2771.10 Amended
2771-Appendix A Amended
- 4) Statutory Authority: Implementing and authorized by Section 8 of the MacArthur Savings Act and by Section 75 of the Higher Education Student Assistance Act (110 ILCS 920/8 and 817/75).

5) Effective Date of Rulemaking: July 1, 1996

6) Does this rulemaking contain an automatic repeal date? No

7) Does this rulemaking contain incorporations by reference? No

8) Date Filed in Agency's Principal Office: June 10, 1996

9) Notice of Proposal: Published in Illinois Register: February 2, 1996, 20 Ill. Reg. 1791

10) Has JCPR issued a Statement of Objections to these rules? No

11) Difference(s) between proposal and final version: None.

12) Have all the changes agreed upon by the agency and JCPR been made as indicated in the agreement after issued by JCPR? Yes

13) Will this rulemaking replace an emergency rule currently in effect? No

14) Are there any amendments pending on this Part? No

15) Summary and Purpose of Rulemaking: ISAC annually reviews its rules in order to respond to market changes and client suggestions, to implement State and Federal statutory amendments, and to clarify issues that have arisen during the previous year. In addition to making minor technical and grammatical changes throughout this Part, ISAC adopted the following amendment: Minor changes have been made to the bond sale dates listed in the table of grant amounts in Appendix A to more accurately reflect the actual bond issuance dates. This is merely a minor technical correction and does not change the amount of any grant awarded.

16) Information and questions regarding these adopted amendments shall be directed to:

ILLINOIS ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

Name: Ms. Raquel G. Martinez
Address: Compliance Counsel
Illinois Student Assistance Commission
1755 Lake Cook Road
Deerfield, IL 60015
Telephone: (815) 948-8500

The full text of the Adopted Amendment begins on the next page:

ILLINOIS ASSISTANCE COMMISSION
NOTICE OF ADOPTED AMENDMENTS

2010	-	-	\$420	\$400	\$380
2011	-	-	-	\$420	\$400
2012	-	-	-	-	\$420

GRANT AMOUNT PER \$5000 COMPOUND
ACCREDITED VALUE AT MATURITY

MATURITY	10/92	10/93	10/94
GRANT	Bond Sale	Bond Sale	Bond Sale
BOND			
1)			

1994	\$40	-	-
1995	\$40	\$15	\$40
1996	\$80	\$40	\$60
1997	\$100	\$80	\$80
1998	\$120	\$100	\$80
1999	\$140	\$120	\$100
2000	\$160	\$140	\$120
2001	\$180	\$160	\$140
2002	\$200	\$180	\$160
2003	\$220	\$200	\$180
2004	\$240	\$220	\$200
2005	\$260	\$240	\$220
2006	\$280	\$260	\$240
2007	\$300	\$280	\$260
2008	\$320	\$300	\$280
2009	\$340	\$320	\$300
2010	\$360	\$340	\$320
2011	\$380	\$360	\$340
2012	\$400	\$380	\$360
2013	\$420	\$400	\$380
2014	\$440	\$420	\$400
2015	\$460	\$440	\$420
2016	\$480	\$460	\$440

*If no grant amount is shown, there were no bonds sold at that maturity for that particular issue.

(Source: Amended at 20 Ill. Reg. 9136 effective
JUL 1 1996)

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: David A. DeBolt Teacher Shortage Scholarship Program
- 2) Code Citation: 23 Ill. Adm. Code 2764
- 3) Section Numbers:
2764.30 Adopted Action:
2764.40 Amended
2764.43 Amended

- 4) Statutory Authority: Implementing Section 65.95 of the Higher Education Student Assistance Act (110 ILCS 347.65.95) and authorized by Sections 20(f) and 65.95 of the Higher Education Student Assistance Act (110 ILCS 947.20(f) and 65.95).

- 5) Effective Date of Rulemaking: July 1, 1996

- 6) Does this rulemaking contain an automatic repeal date? No

- 7) Does this rulemaking contain incorporations by reference? No

- 8) Date Filed in Agency's Principal Office: June 10, 1996

- 9) Notice of Proposal Published in Illinois Register: February 2, 1996, 20 Ill. Reg. 1796

- 10) Has JCAR issued a Statement of Objections to these rules? No

- 11) Differences(s) between proposal and final version: One minor, technical change was made in response to public comment.

- 12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the agreement after issued by JCAR? Yes

- 13) Will this rulemaking replace an emergency rule currently in effect? No

- 14) Are there any amendments pending on this Part? No

- 15) Summary and Purpose of Rulemaking: ISAC annually reviews its rules in order to respond to new changes and student suggestions, to implement State and Federal laws, and to clarify issues that have arisen during the previous year. The amendments proposed by ISAC are technical and grammatical changes throughout this Part. ISAC adopted the following substantive amendments: Section 2764.30(b)(4) has been modified to include students intending to seek initial certification in a teacher shortage discipline as qualified applicants. This is being done to preclude the unintentional disqualification of public community college students who are enrolled in courses that prepare them for eventual teacher certification, but who are not in program that provides actual certification. The wording in Section 2764.30(d) has been modified to

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

refer to the application form which must be completed. Section 2764.30(f)(5) has been added to provide a requirement similar to that being added for ISAC's other teaching programs. Recipients must agree to provide ISAC with evidence of compliance with program requirements, such as replying to annual questionnaires.

16) Information and questions regarding these adopted amendments shall be directed to:

Ms. Jacqueline G. Vantine
Compliance Counsel
Illinois Student Assistance Commission
1755 Lake Cook Road
Deerfield, IL 60015
(847) 248-4500

The full text of the Adopted Amendment begins on the next page:

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

TITLE 23: EDUCATION AND CULTURAL RESOURCES

SUBTITLE A: EDUCATION

CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSION

PART 2764

DAVID A. DEBOLT TEACHER SHORTAGE SCHOLARSHIP PROGRAM

Section

2764.10 Summary and Purpose
2764.20 Definitions
2764.30 DeBolt Scholar Eligibility
2764.40 Program Procedures
2764.50 Institutional Procedures

AUTHORITY: Implementing Section 65.55 of the Higher Education Assistance Act (110 ILCS 747/65.55) and authorized by Sections 201(f) and 95.55 of the Higher Education Student Assistance Act (110 ILCS 947/201(f) and 95.55).

SOURCE: Emergency rules adopted at 19 Ill. Reg. 976, effective February 1, 1995, for a maximum of 150 days adopted at 19 Ill. Reg. 12367, effective August 1, 1995; amended at 20 Ill. Reg. 9141, effective

JUL 1 1996

Section 2764.30 DeBolt Scholar Eligibility

a) A completed application must be received in ISAC's Deerfield office on or before May 1 immediately preceding the Academic Year for which the scholarship is being requested, in order to receive priority consideration.

b) In addition to submitting an application on a timely basis, a

Qualified Applicant must be:

- 1) a United States Citizen or an Eligible Noncitizen;
- 2) a Resident of Illinois;
- 3) a High School Graduate or a person who has received a General Education Development Certificate (GED); and
- 4) Enrolled for academic credit in a postsecondary education program at the sophomore level or above in a Teacher Education program at an eligible Illinois public or private university or college and intending to seek teaching initial certification in a Teacher Shortage Discipline.

c) Applicants will be notified if they are not Qualified Applicants. Such an Applicant may appeal a finding of ineligibility in accordance with 23 Ill. Adm. Code 2700.70, Appeal Procedures.

d) All Applicants must complete one form which the U.S. Department of Education designates as an application necessary for Federal financial aid to determine the expected family contribution (EFC) because the EFC will be used as part of the selection criteria for the purpose of determining eligibility for the DeBolt Teacher Shortage

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

- e) If the student section of an application is incomplete, notice will be sent to the Applicant. The Applicant will then have an opportunity to furnish the missing information; however, the application will only be considered for processing as of the date when the student section is completed and received in ISAC's Deersfield office.
- f) Prior to receiving scholarship assistance for any Academic Year, the Qualified Applicant must sign a Teaching Agreement/Promissory Note that is submitted to ISAC. The Teaching Agreement/Promissory Note will become a part of the DeBolt Scholarship file.
- g) A degree on the part of the DeBolt Scholar to teach for one year for each year of scholarship aid received in the Teacher Shortage Discipline for which the recipient applied, or any portion of a year for which aid was received, under this Part:
- 1) a stipulation that such teaching requirement will be fulfilled within the five-year period following termination of the postsecondary education degree or certificate program for which the scholarship was awarded;
 - 2) a stipulation that such teaching requirement will be fulfilled at an Illinois public preschool, elementary or secondary school; and
 - 3) if the teaching requirement is not fulfilled, the scholarship converts to a loan and the DeBolt Scholar must repay the entire amount of the scholarship(s) awarded, plus interest at a rate no greater than the highest rate applicable to student loans under the Federal Family Education Loan Program and, if applicable, reasonable collection costs.
 - 4) a further stipulation that the DeBolt Scholar agrees to provide ISAC with evidence of compliance with program requirements (e.g., responses to annual follow-up questionnaires, etc.).
- h) A DeBolt Scholar shall not be in violation of the teaching agreement, and thus shall not be required to commence repayment as set forth in subsection (f) of this Section, if the recipient:
- 1) serves, for not more than three years, as a member of the United States armed services;
 - 2) is temporarily disabled, for not more than three years, as established by the sworn affidavit of a licensed physician;
 - 3) is seeking and unable to find full-time employment as a teacher at a school that satisfies the criteria set forth in subsection (f)(3) of this section, and is able to provide evidence of that fact or
 - 4) withdraws from a course of study leading to a teacher certification in the Teacher Shortage Discipline, but remains enrolled at least half-time in another academic discipline.
- i) A DeBolt Scholar shall not be required to repay the amount of the scholarship(s) received if s/he becomes permanently totally disabled, as established by the sworn affidavit of a licensed physician (see

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

- e.g., 34 CFR 650.42(k)(11)), or if his or her representative provides ISAC with a death certificate or other evidence that the Scholar has died.
- 1) Renewal Applicants may receive a subsequent award even if their discipline is no longer on the approved list of Teacher Shortage Disciplines.
 - 2) A DeBolt Scholar may receive up to 8 semesters/12 quarters of scholarship assistance under this program.
 - 3) Scholarship funds are applicable toward two semesters/three quarters of half-time and full-time study within an Academic Year.
- (Source: Amended at 20 Ill. Reg. 9141, effective JUL 1 1996)
- Section 2764.40 Program Procedures**
- a) Applications for the DeBolt Teacher Shortage Scholarship Program are available from qualified institutions throughout Illinois, state legislative and federal congressional offices, and ISAC's Springfield, Deersfield and Chicago offices.
 - b) ISAC shall accept applications to be a DeBolt Teacher Scholar (or Scholar) in accordance with Section 2764.30 of this Part, DeBolt Scholar eligibility.
 - c) ISAC shall identify Qualified Applicants from applications submitted by the established deadline date.
 - d) ISAC shall select the DeBolt Scholars from among Qualified Applicants based on the following criteria: (1) Cumulative GPA of no less than 2.5; (2) Cumulative grade point average (GPA). Cumulative GPAs will be converted to a four-point scale. All GPAs will be converted to a four-point scale. (3) Expected Family Contribution (EFC). EFCs will be prioritized from the lowest to the highest.
 - 3) Minority Student Status. Minority Students shall receive priority consideration.
 - 4) Renewal Applicant Status. Renewal Applicants shall receive priority consideration provided the student:
 - A) continues to maintain a cumulative GPA of no less than 2.5 on a 4.0 scale;
 - B) maintains his or her status as a Qualified Applicant, as outlined in Section 2764.30(b) of this Part, DeBolt Scholar Eligibility;
 - C) continues to advance satisfactorily toward the attainment of a degree in a Teacher Shortage Discipline, and
 - D) has submitted an application for a teaching certification.
 - 5) If all the criteria for priority consideration will be given to the Qualified Applicant who submitted his or her completed application to ISAC on the earliest date.
 - e) The total number of scholarships awarded in a given fiscal year is

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

- contingent upon available funding.
- f) To the extent necessary to administer this program within the limits of the State appropriation, the Commission may adjust the priority consideration factors established by this Section.
- g) ISAC shall annually establish and publicize guidelines for the awarding of DeBolt Scholarships.
- h) Notice of eligibility shall be sent to each Qualified Applicant who is selected to receive a DeBolt Scholarship. A notice will be sent to each Qualified Applicant who is not selected to receive a DeBolt Scholarship.

(Source: Amended at 20 Ill. Reg. 9141, effective
JUL 1 1996)

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: Federal Family Education Loan Program (FFELP)
- 2) Code Citation: 23 Ill. Adm. Code 2720
- | Section Numbers: | Adopted Action: |
|------------------|-----------------|
| 2720.30 | Amended |
| 2720.35 | Amended |
| 2720.40 | Amended |
| 2720.45 | Amended |
| 2720.50 | Amended |
| 2720.55 | Amended |
| 2720.60 | Amended |
| 2720.70 | Amended |
| 2720.80 | Amended |
| 2720.105 | Amended |
| 2720.120 | Amended |
| 2720.APPENDIX A | Repealed |

- 4) Statutory Authority: Implementing Sections 80 through 175 of the Higher Education Student Assistance Act (110 ILCS 947.80 through 1751) 21.54 17, Part 3, of the Higher Education Act of 1965, as amended (20 U.S.C.A. 1071 et seq.) and authorized by Section 20(f) of the Higher Education Student Assistance Act (110 ILCS 947.20(f)).

- 5) Effective Date of Rulemaking: July 1, 1996

- 6) Does this rulemaking contain an automatic repeal date? No

- 7) Does this rulemaking contain incorporations by reference? No

- 8) Date Filed in Agency's Principal Office: June 10, 1996

- 9) Notice of Proposal Published in Illinois Register: February 2, 1996; 20 Ill. Reg. 1302

- 10) Has IAC issued a Statement of Objections to these Rules? No

- 11) Differences(s) between Proposal and final version: A few, minor, technical changes were made in response to comments from the public or suggestions from IAC staff. Additionally, the amendment to Section 2720.41(b)(2) has been clarified to state that the borrower, the institution, or the institution's agent may inform ISAC of the borrower's desire to have loans issued by a lender different than the one that issued the borrower's first loans.

- 12) Have all the changes agreed upon by the agency and IAC been made as

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

Indicated in the agreement letter issued by ISAC? Yes

- 13) Will this rulemaking replace an emergency rule currently in effect? No
- 14) Are there any amendments pending on this Part? No
- 15) Summary and Purpose of Amendments: ISAC annually revise its rules in order to respond to market changes and client suggestions, to implement State and Federal statutory amendments, and to clarify issues that have arisen during the previous year. In addition to making minor technical and grammatical changes throughout this Part, ISAC adopted the following substantive amendments: Section 2720.20(a)(4) has been amended to reflect an existing practice regarding the electronic exchange of information. Loan guarantee data is provided to lenders only in an electronic format and, therefore, it is necessary for all lenders to transmit and receive information in this manner. Language has been added to Section 2720.25(a) to reflect the fact that educational lenders must not only meet ISAC's requirements for institutional and lender eligibility, but must also meet certain requirements such as 2720.20(c)(2) and 2720.20(c)(3) that may not originate with ISAC. Section 2720.30(c)(2) has been amended to add the word "to" to more accurately reflect that approval of educational lender status is not automatic upon Application, but rather is subject to meeting the specific terms and conditions of eligibility outlined in that section. Section 2720.25(b)(3)(B) has been amended to demonstrate that educational lenders must abide by Federal requirements, instead of Appendix A of this Part, which has been repealed. New Section 2720.25(e) was added to clarify that educational lenders must not only comply with this section to establish initial eligibility, but must continue to adhere to these rules to maintain continued eligibility. Section 2720.30(c) has been updated to illustrate that a school can reestablish eligibility with ISAC after losing its eligibility for Federal student financial aid programs. Reestablishing eligibility for Federal student financial aid programs. Section 2720.30(e) has been revised to parallel Federal requirements for the reporting of student enrollment information. Section 2720.35(d) has been amended because loan guarantee data is provided to holders only in an electronic format and, therefore, it is necessary for all holders to transmit and receive information in this manner. Section 2720.41(b)(2) has been amended to clarify that the lender must be a lender, not a change lenders after ISAC notified the lender that this section no longer encompasses them. Section 2720.42(a)(4) has been added to specify that if, and when, a borrower's loans have been sold to different holders, the holder of the oldest loan has the ability to request that the subsequent loans be sold to it as well. The borrower has the ultimate right to determine where the loans are held. Section 2720.42(b)(2) has been modified to illustrate that holders must not only initiate the sale of loans within required time frames, but must also ultimately conclude the sale prior to the loan entering default status so that claims can be filed by the correct holder. Section 2720.42(c)(2) has also been revised to more accurately reflect the right of a borrower to change holders after

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

ISAC is notified of this choice in a less burdensome manner. Section 2720.50(d) has been amended to require that the lender, in order to continue the lending relationship, must inform ISAC of loan delinquency data from among a wider variety of methods identified in operational procedures. Section 2720.50(d)(1) has been amended to give educational institutions the flexibility to require that all checks to students be made co-payable to the borrower and institution, thus providing greater control over the use of loan proceeds. Section 2720.10(a)(2) has been updated to allow an additional 30 days for the late disbursement of loan proceeds in cases with documented exceptional circumstances, as provided for in CFR 682.207(d)(2)(ii). Sections 2720.30(f)(9)(i) and (x) have all been amended to reduce unnecessary detail and to remove requirements which are no longer in effect. Due to frequent changes in the Federal regulations governing the administration of the Federal guaranteed student loan programs, specific instructions throughout this Part have been replaced by references to the applicable sections of Federal regulations. This will allow ISAC rules to remain current by reflecting changes to Federal regulations as they occur, without the need for frequent rules amendments, and will eliminate redundancy by pointing to specific Federal regulations which will remain in effect. Section 2720.50(c) has been amended to require that the lender comply with 2720.50(b) ISAC's requirement that the lender not collect, provide or deliver a driver's license number in a request for preclaim assistance as desired since that information is no longer used. In Section 2720.30(c), the requirement for electronic preclaim filing has been extended to smaller numbers of accounts in order to encourage this more efficient means of processing. Section 2720.60(d) has been amended to incorporate Federal regulations by reference and to eliminate the specific details of certain skip-tracing activities. In addition, the time frames within which a lender may and/or must file for preclaim assistance have been clarified. In Section 2720.80(a), the required time frames for resubmission of insurance premiums has been modified to reflect new procedures. Section 2720.90(c) has been amended to, once again, incorporate Federal regulations by reference, thereby eliminating the need for frequent revisions as Federal policies and procedures change. And finally, as previously mentioned, Appendix A has been repealed in its entirety since the necessary requirements for educational lender status are incorporated into Section 2720.25.

- 16) Information and questions regarding these adopted rules amendments shall be directed to:

Ms. Raquel G. Warriner
Compliance Counsel
Illinois Student Assistance Commission
1755 Lake York Road
Deerfield, IL 60015
(847) 348-4500

ILLINOIS STUDENT ASSISTANCE COMMISSION
NOTICE OF ADOPTED AMENDMENTS

The full text of the adopted rules amendments begin on the next page.

ILLINOIS STUDENT ASSISTANCE COMMISSION
NOTICE OF ADOPTED AMENDMENTS

TITLE 23: EDUCATION AND CULTURAL RESOURCES
SUBTITLE A: EDUCATION
CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSION

PART 2720
FEDERAL FAMILY EDUCATION LOAN PROGRAM
(FFELP)

SUBPART A: FEDERAL LOAN PROGRAMS:
THE FEDERAL STAFFORD LOAN PROGRAM, FEDERAL
PLUS PROGRAM, FEDERAL SUPPLEMENTAL LOANS FOR STUDENTS (SLS) PROGRAM,
AND FEDERAL CONSOLIDATION LOAN PROGRAM

Section	Summary and Purpose
2720.5	Definitions
2720.6	Eligibility for ISAC Loan Guarantees
2720.10	Lender Eligibility
2720.20	Educational Institution Lender Eligibility
2720.25	Institutional Eligibility
2720.30	Holder Eligibility
2720.35	Procedures for Obtaining a Guaranteed Loan
2720.40	One-lender Requirement
2720.41	One-holder Requirement
2720.42	Procedures for Disbursement and Repayment
2720.50	Federal Consolidation Loan Program
2720.55	Reclaim Assistance
2720.60	Reimbursement Procedures
2720.80	Student Insurance Premium
2720.85	Guarantee Transfers

SUBPART B: ILLINOIS DESIGNATED ACCOUNT PURCHASE PROGRAM (IDAPP)

Section	Summary and Purpose
2720.105	IDAPP Eligible Loans
2720.120	IDAPP Eligible Lenders
2720.130	

SUBPART C: ISAC ORIGINATED LOANS

Section	ISAC Originated Consolidation Loans
2720.200	Illinois Opportunity Loan Program (IOP)
2720.210	Federal Family Education Loans (FFEL)
2720.220	

APPENDIX A Required Activities of Educational Lenders (Repealed)

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

- f) Lenders wishing to participate in ISAC-guaranteed loan programs shall submit an application which shall include, but not be limited to: servicing/secondary market agreements; previous compliance and audit reviews conducted by other guarantors and the Department of Education; documentation relating to the percentage of student loans as compared to other installment loan portfolios; default rates; policy and procedures manuals; promotional materials; a statement relating to the ISAC-guaranteed loan volume; and other similar information relevant to the ISAC-guaranteed loan program. Lenders must be qualified to participate in the program. Program participation will be determined by an examination of those materials and compliance with federal laws and regulations and State rules and statutes.

(Source: Amended at 20 Ill. Reg. 9147, effective JUL 1 1996)

Section 2720.75 Educational Institution Lender Eligibility

- a) Educational lenders must meet the eligibility requirements of Institutions as outlined in Section 2720.30, Institutional Eligibility, and must meet the eligibility requirements established for lenders as outlined in Section 2720.20, Lender Eligibility. Also, educational lenders must comply with all Federal Regulations relating to the origination, disbursement and servicing of a loan. (See, e.g., 12 CFR 601.20-601.23)
- b) Financial Institutions may be approved as lenders by the Commission if approved by ED and if the following requirements are met.
- The specific materials to be provided by an institution in seeking approval as an eligible lender, and preferably unqualified annual financial statement prepared by a firm of certified public accountants (CPA). The statement must cover a period of not less than 12 months and be no more than 12 months old at the time of submission. The CPA firm must express an acceptable opinion in the statement, and the statement shall consist of no less than a balance sheet, a statement of profit and loss, and all attendant notes thereto;
 - An institutional catalog; and a statement of the institution's educational costs and refund policies;
 - A statement of the institution's default/delinquency experience as a lender in the Federal Perkins Loan Program, the Federal Insured Student Loan (FISL) program, (20 U.S.C. 101 et seq.) and a release to permit ISAC to solicit FICA (FICA Item 20) or the institution's service agency, if any, with respect to such records;
 - A statement which demonstrates the institution's administrative ability to comply with all servicing

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

- requirements of the program;
- Bank and other financial references and a release to permit ISAC to inquire of these references;
 - A statement explaining the source of the Institution's lending capital;
 - A statement providing the amount of lending authority sought for the applicable fiscal year and an estimate of the lending volume expected in each of the two succeeding fiscal years; and
 - Any other materials which might be requested by ISAC to show the Institution's potential qualifications as a lender.
- 2) In addition to the above materials, a school which is organized on a for-profit basis will be requested to submit a:
- Copy of its student contract;
 - Description of its admission/sales staff and their functions;
 - Statement of the Institution's drop-out/completion rates;
 - Statement of the Institution's advertising materials; and
 - Description of the Institution's student complaints filed with the Institution during the last 3 years. In addition to these materials, ISAC will secure a copy of the Institution's report on the Institution, a statement from the Better Business Bureau with regard to any consumer complaints, and a statement from the Institution's accrediting association.
- 3) The applications for eligible educational lender status in the Programs and the supporting documentation shall be reviewed by ISAC. ISAC staff shall inform the applicant institution of its proposed recommendations to the Commission prior to the meeting at which action on the application will be taken. The Applicant institution shall also be informed of the recommendation for its annual lending limit, as well as any additional instances to which ISAC feels are prudent in individual instances to protect the default record of ISAC. The institution shall also be informed that if it is not in agreement with any ISAC staff recommendation, it is entitled to representation at the Commission hearing and will be allowed to state its objections. If the institution is represented by the Commission as an Educational Lender, ISAC will execute a Lender Agreement which will include:
- The institution's agreement to abide by the Rules of ISAC;
 - A statement of agreement including, or referring to, the list of required agreements of Educational Lenders as outlined in 31 CFR 621.601 Revised as Appendix A-6 Part 6;
 - A statement of agreement including, or referring to, the Federal Regulations with respect to loan disbursements and refund applications;
 - A statement of agreement including, or referring to, the

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

- Federal Regulations definition of "due diligence"; and
- E) An expiration date of such lending contract which shall not be later than the end of the first full fiscal year following the negotiation of the contract, at which time its renewal shall be considered by ISAC.
- c) A loan guarantee shall be canceled if the Educational Lender fails to comply with Federal Regulations, statutes, ISAC Rules, or procedures, provided such failure impairs ISAC's ability to recover the expense of insuring the Educational Lender for the defaulted loan.
- d) ISAC shall require compliance reviews to determine if approved Educational Lenders are complying with Federal Regulations, statutes and Rules.
- e) Educational Lenders that do not comply with the standards of administrative capability or financial responsibility set forth in their original applications for participation, or required by Federal Regulations, may be subject to administrative limitation, Suspension or Termination Proceedings. (See 33 Ill. Adm. Code 2790.)

(Source: Amended at 20 Ill. Reg. 9147, effective JUL 1 1996.)

Section 2720.30 Institutional Eligibility

- a) Institutional eligibility requirements are specified in Federal Regulations. Eligible postsecondary institutions include universities, colleges, graduate schools, schools of nursing, technical schools, trade, technical, and vocational schools. Correspondence institutions, private correspondence schools, and correspondence schools are not eligible.
- b) Institutions that have accepted a Program Participation Agreement with ED in order to participate in ISAC-Guaranteed Loan Programs. (See 34 CFR 668.11 668.12(e)-(f).)
- c) When an approved institution has a change of ownership resulting in a change of control, a change of location, or a change of name as defined by Federal Regulations, the institution's program Participation Agreement with ED may be terminated. After an institution has undergone a change of status affecting its participation in any title IV Federal student financial aid programs, the institution may have its eligibility reinstated by the execution of a new Program Participation Agreement with ED (see e.g., 34 CFR 600.30 et seq.) and by the submission and approval of a new application for participation with ISAC.
- d) An institution may not engage in loan origination activities. This prohibition shall not apply if the institution has an ED-approved Program Participation Agreement in file with ISAC and the institution has been approved by ISAC for participation in the program. (See Section 2720.25 of this Part and 34 CFR 668.60.)
- e) Approved Institutions shall provide ISAC with the current enrollment status of students whom the institution has certified as eligible borrowers in accordance with Federal Regulations. (See 34 CFR

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

- 668.610(c)(1)-(3) ISAC shall request enrollment data in accordance with a schedule published in an annual letter.
- f) Applicant and approved institutions must demonstrate administrative capability and financial responsibility, as defined by Federal Regulations, in order to be eligible to participate in the ISAC-Guaranteed Loan program. (See, e.g., 34 CFR 668.11 and 668.12 668.13(a)-(e).)
- g) Institutions wishing to participate in ISAC-Guaranteed Loan programs shall submit an application which shall include, but not be limited to: documentation from the U.S. Department of Education (ED) and the state in which it operates demonstrating authorization to offer educational programs; previous audit and compliance reviews conducted by other guarantors and ED proof of accreditation; audited financial statements; student catalogs; promotional materials; policy and procedure manuals; documentation relating to default and student withdrawal rates; and other similar information requested by ISAC to show the institution's qualifications for participation. Participation will be decided by an examination of application materials and a determination of compliance with Federal laws and regulations. Institutions may appeal an administrative ruling by ISAC to the U.S. Department of Education in accordance with ISAC appeal procedures. (See 33 Ill. Adm. Code 2700.70.) Institutions denied participation shall be eligible to reapply one year from the date of the initial ISAC letter denying eligibility.
- h) Institutions not maintaining the standards of administrative capability or financial responsibility demonstrated in their original applications for participation, or required by Federal Regulations, may be subject to administrative limitation, Suspension or Termination Proceedings. (See 33 Ill. Adm. Code 2790.)
- i) A foreign postsecondary educational institution, located outside of the United States, is eligible to participate in ISAC-guaranteed loan programs provided it produces evidence to ISAC of current eligibility with ED (e.g., Program Participation Agreement, Institutional Eligibility Notice, etc.) or documentation of such eligibility is available directly from ED.

(Source: Amended at 20 Ill. Reg. 9147, effective JUL 1 1996.)

Section 2720.35 Holder Eligibility

- a) All approved holders must execute an ISAC Holder agreement prior to participating in the subsidized and unsubsidized Federal Stafford, Federal PLUS, Federal SLS or Federal Consolidation Loan program.
- b) Holders must have received ED approval prior to executing a Holder agreement.
- c) The Holder agreement shall include provisions requiring holders to:

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

Section 2720.42 One-Holder Requirement

- a) All of a borrower's outstanding ISAC-Guaranteed Loans must be sold by a Lender to the same Holder.
- 1) If the Lender has sold any of a borrower's previous ISAC-Guaranteed subsidized or unsubsidized Federal Loans(s) or Federal SIS Loan(s) to an approved Holder, the Lender shall sell all subsequent loans to the same Holder by no later than 90 days from the borrower's last date of attendance or 180 days following the last disbursement, whichever occurs later; or in the event of untimely notification to the Lender of a student's change in enrollment status, no later than 45 days after the Lender became aware that the student ceased to be enrolled on at least a half-time basis. (See section 2720.130(d).)
- 2) Subsidized Federal Stafford Loans, unsubsidized Federal Stafford Loans and Federal SIS Loans which were made under the same common Application/Promissory Note for loan periods within the same Academic Year must be sold simultaneously.
- 3) If the Lender has sold the Applicant's previous ISAC-Guaranteed Federal PLUS Loans to an approved Holder, the Lender shall sell each subsequent Federal PLUS Loan for that borrower to the same Holder by no later than 90 days from the last date of attendance or 180 days following the last disbursement, whichever occurs later; or in the case of a late disbursement, the subsequent loan must be sold within 45 days following disbursement.
- 4) Upon notification by the Holder of the oldest Federal loan, the Holder of any subsequent loan must sell that loan to the previous Holder, unless the borrower requests in writing that the previous Holder sell to the subsequent Holder.
- b) Failure to sell the subsequent Federal loan by the deadline shall result in the loss of guarantee, insofar as if within 90 days after the deadline the Lender has not transferred (a) within 90 days after identifying a loan in violation of subsection (a)(1), (a)(2), or (a)(3), or (a)(4) a subsequent loan to the Lender who initiates the sale of the loan to the eligible Holder who purchased the sale of the loan to the eligible Holder who initiated the sale procedure within 90 days.
- 2) Initiation of the sale procedure within 90 days, and conclusion of the sale before the day the loan enters Default Status, will retroactively reinstate the guarantee to the day date the guarantee was lost due to a violation of subsection (a)(1), (a)(2), or (a)(3) or (a)(4) above, provided no other violation of Federal Regulation or State rule exists.
- 3) Failure to initiate the sale of the loan within 90 days after identifying the violation will result in a permanent loss of guarantee for that loan. Failure to ultimately sell the loan to the Holder will also result in a permanent loss of guarantee for that loan.

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

Section 2720.50 Procedures for Disbursement and Repayment

- c) The requirements of this Section shall not apply if:
- 1) If disbursement loans are made by a holder which has been either declared insolvent by a court of competent jurisdiction, or its agreement with ISAC or has withdrawn from all IFSA programs.
- 2) ISAC is informed that the borrower has provided authorization to have information regarding the status of the disbursement with the previous holder's performance and status, and that subsequent loans be held by said-to-a different holder.
- (Source: Amended at 20 Ill. Reg. 9147, effective JUL 1 1996)
- a) Disbursement and repayment procedures are specified in Federal Regulations.
- b) Prior to Disbursement, the borrower(s) shall execute a completed application/promissory note(s) for the principal and interest on the Federal PLUS loan. The Lender shall retain the original copy of the application/promissory note(s).
- c) The Lender shall transmit to ED any and all statements and reports necessary to obtain Federal interest payments on the borrower(s). The Lender shall not collect or attempt to collect from the borrower(s) or ISAC any portion of the interest on the loan which is payable by ED.
- d) Except for loans pursuant to Section 2720.53, the Lender shall not disburse the proceeds of any loan on the borrower(s) behalf unless and until the Lender shall have received from ISAC evidence of a guarantee. The Lender shall inform ISAC of all disbursement dates through submissions of the Lender manifest/insurance premium invoice system.
- e) Federal Stafford and Federal PLUS loan proceeds shall be transmitted directly to the institution.
- 1) Federal Stafford loan checks or electronically transmitted funds shall be payable to the student borrower unless the institution certifies all loan checks to be co-payable to the borrower and the institution. Federal PLUS loan checks shall be payable to the parent borrower. Federal PLUS loan checks shall be transmitted to the parent borrower via ATM to the institution and the parent borrower shall electronically or by Mailer Check shall be transmitted to the Lender to the institution along with information identifying the name of each student in whose behalf loan proceeds are being transmitted, and the amount being transmitted on behalf of that student.
- 2) If the proceeds have not been disbursed to the institution within 60 sixty days after the conclusion of the term for which the loan was intended, or 90 days after the conclusion of the term, if

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

- 5) Date and amount of each payment;
 - 6) Loan amount; and
 - 7) Number of days delinquent.
- b) The request for preclaim assistance must be sent to ISAC no earlier than 80 days after the first day due of delinquency and no later than 100 days after the first day due of delinquency. For accounts paid less than monthly (e.g., quarterly), the request for preclaim assistance must be filed no earlier than the 10th day of delinquency and no later than the 10th day of delinquency.
- c) For 10 or more delinquent or more accounts submitted in at one month, the request for preclaim assistance must be submitted electronically on computer tape, in a format approved by ISAC, from which collection action can begin immediately.
- d) If a borrower's address is unknown, the Lender shall attempt to locate the borrower pursuant to Federal Regulations. (See CFR 682.102.) Prior to requesting preclaim assistance, the Lender shall attempt to locate the borrower by requesting the borrower's address from the lender's records. The Lender may mail file for preclaim or skip tracing assistance when it has completed its skip tracing efforts, if it has not already done so. The Lender shall file for assistance within 10 days before or after either as the 90th day of delinquency for loans due paid monthly, or at the 100th day for loans that are due paid less than monthly, whichever occurs first.
- e) When a Lender files for preclaim assistance, that Lender is automatically filing for supplemental preclaim assistance (the collection assistance provided by ISAC after the loan is 120 days delinquent).

(Source: Amended at 20 Ill. Reg. 9147, effective JULY 1, 1996)

Section 2770.70 Reimbursement Procedures

- a) If a borrower dies or becomes permanently and totally disabled, the Lender or Holder shall request reimbursement from ISAC within 60 days from the date the Lender or Holder receives a completed request for loan cancellation or forgiveness.
- b) Requests for default reimbursement must be submitted to ISAC no earlier than 180 days after the first day due of delinquency and no later than 270 days after the first day due of delinquency. The Lender or Holder shall be reimbursed, in accordance with Federal Regulations and the Higher Education Act of 1965, as amended, in the case of a default on a Federal PLUS loan, the borrower, Co-maker, and Endorser must meet the default criteria contained in Federal Regulations.
- c) The Lender or Holder must request ISAC reimbursement for a bankruptcy claim in accordance with Federal Regulations and the Higher Education

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

- Act of 1965, as amended. (See, e.g.: 34 CFR 682.402.) The request for reimbursement must be submitted within 30 days after the Lender's or Holder's receipt of notice that collection on the debt is stayed. A copy of the restraining order and the appropriate papers must be submitted in the case of a bankruptcy involving a Federal PLUS loan, the borrower, Co-maker, and Endorser must meet the bankruptcy criteria contained in Federal Regulations.
- d) Prior to reimbursement, the Lender or Holder must certify compliance with Federal due diligence requirements and subsection (a) of this Section.
 - e) Prior to reimbursement, the Lender or Holder must have retained the insurance premium as established by Section 2770.30.
 - f) The Lender or Holder shall forward to ISAC any payments made by or on behalf of the borrower after default reimbursement and shall advise ISAC of any subsequent information received concerning the borrower. Prior to reimbursement, all original notes or certified, true and exact copies of original notes must be properly endorsed and submitted to ISAC. If the notes have been erroneously stamped "paid in full", or lost, the Lender or Holder shall execute a hold harmless agreement with ISAC.
 - g) With respect to the borrower, other than the maximum interest rate prescribed by 20 and the collection charges outlined in Section 2770.102, the Lender or Holder shall comply with Federal Regulations, including the student insurance premium and the Federal loan origination fee, shall be contracted for or received from the Lender.
 - h) The Lender or Holder shall make a proper collection effort in accordance with acceptable practices of prudent lending institutions, including, but not limited to, the collection activities required by Federal Regulations. (See, e.g.: 34 CFR 682.111.)
 - i) ISAC shall collect the outstanding amount on the reimbursed Guaranteed Loan. If the borrower refuses to retire the debt, ISAC shall follow the requirements of Federal Regulations. (See 34 CFR 682.410.)
 - j) Should a borrower refuse to retire the debt, ISAC shall direct the State Comptroller to offset any payment from the State Treasurer to the borrower. The funds offset shall be remitted to ISAC and credited against the debt.
 - k) All offsets shall be processed in accordance with 74 Ill. Adm. Code 400.
 - l) ISAC shall not direct an offset if the borrower has maintained a satisfactory payment record. (See: 23 Ill. Adm. Code 2770.10(a)(1)(vii) payment record.
 - m) ISAC shall notify a borrower of the possibility of an offset no less than 30 days prior to the first offset. ISAC shall provide additional notice of subsequent offsets for the same debt. Should the borrower dispute the debt, an appeal must be filed within fifteen days of the date of the notice. Appeals will be processed in accordance with 23 Ill. Adm. Code 2700.70. If the requested relief is granted, the funds offset shall be

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: General Provisions
- 2) Code Citation: 23 Ill. Adm. Code 2700
- 3) Section Numbers:
 2700.20 Amended
 2700.30 Amended
 2700.40 Amended
 2700.50 Amended
 2700.60 Amended
 2700.70 Amended
- 4) Statutory Authority: Implementing Sections 90 through 175 of the Higher Education Student Assistance Act of 1965, as amended (23 ILCS 24/90 et seq.), as amended by P.L. 102-325; and authorized by Section 201(f) of the Higher Education Student Assistance Act (110 ILCS 947/20(f)).
- 5) Effective Date of Rulemaking: July 1, 1996
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) Date filed in Agency's Principal Office: June 10, 1996
- 9) Notice of Proposal Published in Illinois Register: February 2, 1996, 20 Ill. Reg. 1924
- 10) Has ICAS issued a Statement of Objections to these rules? No
- 11) Differences(s) between proposal and final version: A few minor, technical changes were made in response to comments from the public or suggestions from ICAS staff. Although ICAS believed that the public comments would have had sufficient notice to meet the proposed new deadline date for submission of school budgets (from June 1 to May 1), ICAS opted to withdraw the requirement proposed to Section 2700.10(e) because of feedback from clients. While ICAS is still interested in accelerating the processing timetable for its programs, we decided against pursuing the amendment because some institutions were concerned that their governing boards would not be able to comply with the provision. Additionally, Section 2700.30(g)(1) was revised to specify that residency verification need not be performed for students who have received VAP awards during the preceding year, regardless of any changes in their dependency status.
- 12) Have all the changes agreed upon by the sponsor and ICAS been made as indicated in the agreement letter issued by ICAS? Yes

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

- 13) Will this rulemaking replace an emergency rule currently in effect? No
- 14) Are there any amendments pending on this Part? No
- 15) Summary and Purpose of Rulemaking: ICAS annually reviews its rules in order to respond to market changes and client suggestions. To implement State and federal statutory amendments, and to clarify issues that have arisen during the previous year, in addition to making minor technical and grammatical changes throughout this Part, ICAS adopted the following substantive amendments: In Section 2700.20, the definition of "Commission" has been modified to reflect the increase in size of the Commission from nine to ten members. P.A. 99-312 added a new member to the Commission, effective July 1, 1996, and that person shall serve as a representative of public community colleges. The term "dependent student" has been broadened to include recipients of tuition waivers, who had been inadvertently omitted previously. Sections 2700.30(i)(1)(A) and 2700.30(i)(1)(B) have been moved to other Sections of this Part where they make more logical sense. Sections 2700.30(i)(3) and 2700.30(i)(4), the word "has" has been changed to "may" to more accurately reflect that approval for institutions to participate in ICAS's programs is not automatic upon applications' eligibility submitted to the Commission. Section 2700.30(j) conditions of eligibility submitted to the Commission. Section 2700.30(j) has been amended to require that institutions participating in ICAS programs report their Office of Postsecondary Education (OSE) identification numbers to this agency. This ID number, assigned by the U.S. Department of Education (ED) to all institutions participating in its student financial assistance programs, allows ICAS to more effectively monitor important information, such as changes in eligibility. Section 2700.30(l) has been added to clarify that institutions with more than one OPS-ID number will be treated as separate entities. Section 2700.30(m) has been added to require each institution to submit to ICAS its Federal Employer Identification Number (FEIN). This number is needed in order to process payments through the State Comptroller's office. The provisions of Section 2700.40(a) have been broadened to exclude defaulters on all types of loans made under title IV of the Higher Education Act from eligibility for ICAS assistance. As a result, defaulters on Federal Direct Loans are treated the same as borrowers who defaulted on other types of student loans. In order to reflect changes in the Federal regulations governing loan-making, Section 2700.40(a)(1)(A) has been amended to require that institutions participating in ICAS's programs, the specific details concerning the Federal guaranteed student loan programs, be replaced by references to applicable Federal regulations governing the re-negotiation of eligibility for borrowers who had previously defaulted on these loans. This will allow ICAS rules to be more current by reflecting changes to Federal regulations as they occur, without the need for frequent rules amendments. Section 2700.40(a)(1)(C) has been amended to clarify the terms for which gift assistance eligibility may be reinstated for borrowers who had previously defaulted on student loans. Section 2700.40(1) clarifies that applicants for ICAS administered

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

programs are expected to comply with the Selective Service registration documentation. Section 2700.40(k) has been moved from 2700.30(1)(1)(B) and clarifies that State law allows incarcerated students to receive benefits only under the Illinois National Guard and Veteran Grant Programs. Section 2700.50(c) has been modified to identify the specific time frame within which institutions must make refunds to ISAC for payments made on behalf of students who are no longer eligible for all or part of their awards. If refunds are made on a timely basis, ISAC will be within the position to reallocate the unused funds to other students within the academic year. Section 2700.50(d) has been clarified and moved from Section 2700.30. Section 2700.50(g) has been revised so that students who receive a "W" during the previous academic year need not have their Illinois residency reviewed during the following year. Section 2700.55(g) has been deleted in its entirety from the following year. The deletion of this section is necessary because ISAC wants to encourage technological advances. Furthermore, many of the requirements in the subsection are conditions of initial or continuing eligibility and are contained elsewhere in ISAC's Administrative Rules. Minor revisions have been made to Sections 2700.70(e)(2) and 2700.70(e)(3) to reflect changes being made to Part 2730, and to clarify that an independent hearing officer's decision can be appealed to the Commission.

16) Information and questions regarding these adopted amendments shall be directed to:

Ms. Rachel G. Martinez
Compliance Counsel
Illinois Student Assistance Commission
1755 Lake Cook Road
Deerfield, IL 60015
(847) 948-9500

The full text of the Adopted Amendment begins on the next page:

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

TITLE 23: EDUCATION AND CULTURAL RESOURCES

SUBTITLE A: EDUCATION

CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSION

PART 2700

GENERAL PROVISIONS

Section	Summary and Purpose
2700.10	Definitions
2700.20	General Institutional Eligibility Requirements
2700.30	General Applicant Eligibility Requirements
2700.40	Determining Applicant Eligibility
2700.50	Electronic Data Exchanges
2700.60	Audits and Investigations
2700.70	Appeal Procedures

AMENDMENT: Implementing Sections 50 through 175 of the Higher Education Student Assistance Act (110 ILCS 947.80 through 947.97); Title IV of the Higher Education Act of 1965, as amended (20 U.S.C.A. 1070 et seq., as amended by P.L. 102-321); and Sections 197, 201(f), and 201(g) of the Higher Education Student Assistance Act (110 ILCS 947.201(f)).

SOURCE: Adopted at 9 Ill. Reg. 30783, effective January 1, 1986; amended at 11 Ill. Reg. 3167, effective January 29, 1987; amended at 11 Ill. Reg. 3579, effective August 10, 1987; amended at 12 Ill. Reg. 1150, effective July 1, 1988; amended at 13 Ill. Reg. 8626, effective July 1, 1989; transferred from Chapter IX, 23 Ill. Adm. Code 1700 (State Scholarship Commission) to Chapter XIX, 23 Ill. Adm. Code 2700 (Illinois Student Assistance Commission) pursuant to P.A. 86-188, effective July 1, 1989, at 13 Ill. Reg. 1784; amended at 14 Ill. Reg. 10338, effective July 1, 1990; amended at 16 Ill. Reg. 1126, effective July 1, 1992; amended at 17 Ill. Reg. 10541, effective July 1, 1993; amended at 18 Ill. Reg. 10282, effective July 1, 1994; amended at 19 Ill. Reg. 8343, effective July 1, 1995; amended at 20 Ill. Reg. 9170, effective July 1, 1996.

Section 2700.20 Definitions

"Academic Level" - The classification of a student as freshman, sophomore, junior, senior, or graduate student.

"Academic Year" - A twelve month period of time, normally from August or September of any year through August or September of the ensuing year.

"Applicant" - Any individual who requests ISAC consideration for a scholarship, grant, tuition waiver, or guaranteed loan guaranteed loan.

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

"Chargeback" - Payment of tuition by the community college district of a student's residence to the community college district of a student's attendance. [See 11.0 ILCS 805/6-2.]

"Citizen" - One who, under the Constitution and laws of the United States, is a native-born or naturalized citizen of the United States of America.

"Commission" - The ten state member Illinois Student Assistance Commission created by Section 15 of the Higher Education Student Assistance Act. [See 11.0 ILCS 947/15.]

"Concurrent Registration" - The simultaneous enrollment at two or more institutions.

"Consortium Agreement" - The written agreement between an institution eligible to participate in any of the programs administered by the Illinois Student Assistance Commission (as defined in Section 2700.10 and subsequent parts of the ISAC rules) and another institution whereby the second institution provides all or part of the education program of students enrolled in the eligible institution. ISAC reserves the right, after review of the agreement, to make the final decision regarding the amount, if any, and the destination of final Gift Assistance payments.

"Dependent Student" - A scholarship, loan, tuition waiver, or grant applicant or recipient who is not classified as an Independent Student.

"ED" - The acronym for the United States Department of Education.

"Eligible Noncitizen" - For the purposes of these rules, eligible noncitizen is defined as noncitizens eligible for federal student assistance pursuant to Section 84 of the Higher Education Act of 1965, as amended. [See 20 U.S.C.A. 1091.]

"Enrolled" - The status of a student who has completed the Institution's registration, registration requirements and is attending classes.

"Executive Director" - The chief executive officer of ISAC.

"Federal Regulations" - Refers to regulations promulgated by ED and codified at 34 CFR 630 et seq.

"Foreign Missionary" - An individual who is assigned duty outside of the United States by an organization that engages in education, philanthropic, humanitarian or altruistic works. The missionary

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

organization must be exempt from the payment of federal taxes and must have been engaged in placing foreign missionaries for at least five years. Examples of such missionary organizations include, but are not limited to, the following: Peace Corps, Evangelical Alliance Mission, etc.

"Full-time Student" - An individual enrolled for twelve or more credit hours, for either a semester or quarter term.

"Gift Assistance" - Student assistance funds in the form of a scholarship, grant, or tuition waiver, including but not limited to, federal, state, institutional, and private aid.

"Good Moral Character" - An applicant is of good moral character if the applicant will benefit from postsecondary instruction and is allowed to enroll at an approved postsecondary institution.

"Guaranteed Loan(s)" - Loan assistance through the Federal Family Education Loan Program (FFELP) which includes the subsidized and unsubsidized Federal Stafford Loan, the Federal PLUS Loan, the Federal Supplemental Loans for Students (SLS), and the Federal Consolidation Loan programs.

"Half-time Student" - An individual enrolled for six or more credit hours (but less than twelve credit hours) for either a semester or quarter term.

"Independent Student" - For the purposes of these rules, independent student is defined by Section 100 of the Higher Education Act of 1965, as amended by P.L. 102-325. [See 20 U.S.C.A. 1097(a).] A non-independent student is referred to as a Dependent Student.

"Institution" - Unless otherwise qualified, any secondary or postsecondary educational organization which enrolls students who participate in ISAC programs.

"Institution of Record" - The postsecondary institution at which a student is enrolled and seeking a degree or certificate. This institution assumes primary responsibility for certification of eligibility for ISAC-administered programs and for requesting payment from ISAC.

"ISAC" - The acronym for the Illinois Student Assistance Commission; the administrative agency created by Section 15 of the Higher Education Student Assistance Act [11.0 ILCS 947/15] to administer student assistance programs in Illinois.

"Mandatory Fees" - The charges assessed by an institution

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

to each and every Full-time Student student for each term. Application, graduation, laboratory, breakage and add/drop fees are specifically excluded. For the purposes of these Rules, Tuition is not a Mandatory Fee.

"Parent" - For the purposes of these Rules, "Parent" is defined at 34 CFR 668.2.

"Pell Grant" - A Federal Gift Assistance program administered by ED in accordance with Section 411 of the Higher Education Act of 1965, as amended. (See: 20 U.S.C.A. 1070a et seq.)

"Regular School Year" - An eight to nine month period of time which includes two semester terms or three quarter terms. The Regular School Year excludes summer terms. Terms that begin after April 15 and end before September 16 are considered summer terms.

"Remedial Courses" - The course work that prepares a student for study at the postsecondary level and must be necessary for the student to pursue the eligible postsecondary program.

"Resident of Illinois" -

A Dependent Student is a Resident of Illinois if the Parent of the Dependent-Applicant, who is required by the instructions to complete the Free Application for Federal Student Aid (FAFSA), physically resides within the State of Illinois.

An Independent Student is a Resident of Illinois if the Applicant physically resides within the State of Illinois (at the time of application), and has so resided for a period of twelve continuous, full months immediately prior to September 1 of the Academic Year for which assistance is requested.

When an Applicant does not qualify as a Resident of Illinois under the preceding two subsections and the Applicant is a member of the U.S. Armed Forces or a Foreign Missionary, or is the Dependent or the spouse of an individual who is a member of the U.S. Armed Forces or a Foreign Missionary, then the Applicant's residency shall be determined in accordance with this subsection.

An Applicant who is a member of the U.S. Armed Forces will be a Resident of Illinois if the Applicant physically resided in Illinois immediately prior to entering the U.S. Armed Forces, returned (or plans to return) to Illinois within six months of the conclusion of enlistment and can demonstrate (pursuant to Section 2700.30(f) and (g)) that his/her domicile was the State of Illinois throughout such enlistment.

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

An Applicant who is a Foreign Missionary will be a Resident of Illinois if the Applicant physically resided in Illinois for six continuous months immediately prior to entering missionary service, returned (or plans to return) to Illinois within six months of the conclusion of missionary service, and can demonstrate (pursuant to Section 2700.30(f) and (g)) that his/her domicile was the State of Illinois throughout such missionary service.

The dependent-applicant shall be a Resident of Illinois notwithstanding the Parent's temporary physical absence from Illinois, provided the Parent would be a Resident of Illinois under the preceding two subsections.

The spouse-applicant shall be a Resident of Illinois immediately upon physically occupying a dwelling within the State of Illinois provided the Applicant can demonstrate that his/her absence from the State was the result of residing with the spouse during enlistment or missionary service outside of Illinois and that the spouse-applicant's domicile continues to be the State of Illinois.

"Rules" - The rules of ISAC codified at 23 Ill. Adm. Code: Subtitle A, Chapter XIX.

"Satisfactory Academic Progress" - An institutional policy which establishes minimum standards of academic performance. For purposes of ISAC's Institutional Programs, the standards must be at least as stringent as those established by ED pursuant to Section 484 of the Higher Education Act of 1965, as amended. (See 20 U.S.C.A. 1091.)

"Term" - A unit of time for student attendance, including, but not limited to, a quarter or semester.

"Tuition" - The charge for instruction assessed by a postsecondary institution.

"Verification" - Procedures implemented by postsecondary institutions to verify the eligibility of Applicants. The procedures are established by 34 CFR 668 et seq. and by these Rules.

(Source: Amended at 20 Ill. Reg. 9170, effective JUL 1 1996)

Section 2700.30 General Institutional Eligibility Requirements

a) ISAC Program Participation Agreement

1) All institutions shall execute an ISAC Program Participation

ILLINOIS STUDENT ASSISTANCE COMMISSION

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

NOTICE OF ADOPTED AMENDMENTS

Agreement in order to participate in ISAC Gift Assistance Programs.

- 2) The ISAC Program Participation Agreement shall identify the ISAC programs under which the Institution's students may receive benefits.
- 3) The ISAC Agreement shall include provisions requiring Institutions to comply with statutes, Rules and Regulations.
- 4) The ISAC Program Participation Agreement may be modified or terminated in accordance with 23 Ill. Adm. Code 2730. Limitation, Suspension or Termination on Proceedings.
- 5) With respect to ISAC student assistance programs, Institutions shall develop and maintain procedures to verify the consistency and accuracy of information received from their enrolled recipients.
- 6) Institutions shall be subject to possible Limitation, Suspension or Termination of eligibility for failure to comply with statutes, Regulations, Rules, or procedures and for failure to maintain the standards required by this section for initial participation. (See 23 Ill. Adm. Code 2730.)
- 7) Programs shall Institutions which participate in Gift Assistance Programs shall adhere to the policies and procedures of the State's Gift Assistance Program and shall also follow national policy. Public postsecondary Institutions shall also follow national policy establishing a minimum grade point average for acceptance of their students into Gift Assistance Programs.
- 8) Institutions shall be subject to the Illinois National Guard Grant Program and the Illinois Veteran Grant Program. Such institutions shall not be considered ISAC approval of such policies.
- 9) Postsecondary Institutions which participate in Gift Assistance Programs shall annually report their Tuition and Fee charges, as well as advance payment requests, to ISAC on or before June 1 preceding each Academic Year.
 - 1) Failure to report any cost changes by the deadline will cause the prior Year's charges to be used as part of the calculation process for Gift Assistance benefits. Failure to report the assessment of a fee charge by the deadline will result in that fee charge being ineligible for payment under ISAC Gift Assistance Programs.
 - 2) The report shall match specific fee charges with the Gift Assistance program(s) which may finance the fee. Such accommodations by the Institution shall not be considered ISAC approval of such policies.
- 10) The Illinois National Guard Grant and the Illinois Veteran Grant (IVG) programs may finance only a portion of the fee charges. (See 23 Ill. Adm. Code 2730.10(c) and 2733.20(f).)
- 11) Example: Cre fee finances both Tuition and text book expenses. Only the portion of the fee which is attributable to Tuition expenses may be financed with program benefits.
- 12) Institutions with such a fee shall certify what percentage of the fees eligible to be financed with program benefits.

Certification shall be performed by the Institution's chief fiscal officer.

- f) Institutions shall submit additional reports, data and information to ISAC as may be requested. These inquiries include, but are not limited to, surveys, enrollment confirmations, and evaluation instruments.
- g) Additional institutional eligibility requirements are contained in several parts of the ISAC Rules.
 - a) Postsecondary institutions may apply to participate in ISAC-Guaranteed Loan Programs in accordance with 23 ill. Adm. Code 2720.
 - b) Postsecondary institutions may apply to participate in ISAC Gift Assistance programs in accordance with this subsection.
 - c) The Institution must approve participation in ISAC Gift Assistance programs within an institution rather than for specific academic programs.
- A) When requesting payment-of-beneficiary-institutions shall certify-the-eligibility-of-beneficiary-institutions-to-participate-in-a-program-that-is-the-announced-institution-to-the-ISAC-administered-benefits
- B) Students-enrolled-in-academic-program-while-increased-are-eligible-for-ISAC-Gift-Assistance-benefits
- C) Program-qualifies-the-enrollment-in-the-applicable-postsecondary-institution-to-the-announced-institution-to-the-ISAC-administered-benefits
- D) Prior to applying for participation in ISAC Gift Assistance programs, the institutional Applicant must have authority to operate a postsecondary institution in Illinois. (See: 23 ill. Code 2720.60.)
- E) Institutional Applicants which are fully accredited by the North Central Association and have degree-granting authority shall be approved to participate in ISAC Gift Assistance programs if the institution meets and maintains the requirements of the subsections (1)(1)(C) and (D) below.
- F) Institutional Applicants which do not meet the requirements of subsection (1)(1)(3) above may still be approved to participate in ISAC Gift Assistance programs if the Institution has:
 - A) obtained candidate status for North Central accreditation.
 - B) applied for and is seeking degree-granting authority.
 - C) obtained at least three letters indicating the transferability of academic credit from the applicant institution to other institutions. The letters must be from institutions approved to participate in the Monetary Award program (MAAP) administered by the North Central Association. (See: 23 ill. Adm. Code 2725.60.)

[illegible]

- B) Students-Enrolled-in-academic-program-with-increased-need-for-SSAG-Gift-Assistance-awards
1) Prior to applying for participation in SSAG Gift Assistance programs, the institutional Applicant must have authority to operate a postsecondary institution in Illinois. (See: 23 Ill. Adm. Code 1030.)
- 2) Institutional Applicants which are fully accredited by the North Central Association and have degree-granting authority shall be approved to participate in SSAG Gift Assistance programs provided the institution meets and maintains the requirements of subsections (1)(i)(C) and (D) below.
- 3) Institutional Applicants which do not meet the requirements of subsection (1)(i)(C) above may want to be approved to participate in SSAG Gift Assistance programs if the institution has:
 - a) obtained candidate status for North Central accreditation.
 - b) applied for and is seeking degree-granting authority.
 - c) transferred at least three letters indicating the institution's intent to seek academic credit from the institution to other institutions.The letters must be from institutions which are approved to participate in the Monetary Award Program (MAP) and are fully accredited by the North Central Association. (See: 23 Ill. Adm. Code 2735.60.)

D) an adequate number of qualified persons to administer the responsibilities under the ISAC Rules. In determining whether an institution employs an adequate number of qualified persons, the Commission considers the number of students aided, the number of programs in which the

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

Institution participants, the number of applications evaluated, the amount of funds administered, and the financial aid delivery system used by the institution.

- 5) Institutional applicants must also supply ISAC with audited financial statements, prepared by an independent third party, in accordance with generally accepted accounting principles, to establish financial responsibility. (See, e.g., 34 CFR 584.15-44 and 584.16-44.)

- 6) Once approved to participate in ISAC Gift Assistance programs by the Commission, an institution shall receive provisional eligibility for a minimum of five academic years.

A) On or before June 1 preceding each Academic Year, an institution with provisional eligibility shall annually submit three letters indicating the transferability of academic credit to other institutions for the following Academic Year. These letters must be from ISAC-approved MAP institutions which are fully accredited by the North Central Association.

- B) An institution with provisional eligibility must petition the Commission for full eligibility. Full eligibility will be granted if the institution meets the requirements of subsection (i)(3) above and if there are no outstanding audits.

- J) As a condition of eligibility for participation in ISAC student assistance programs, postsecondary institutions shall have a valid Program Participation Agreement with ISAC (see Sec. Section 187 of the Higher Education Act of 1965, as amended (20 U.S.C.A. 1091v) and shall report their Office of Postsecondary Education Identification (OPE-ID) number to ISAC.

- K) In order to begin and to continue participation in ISAC-administered student assistance programs, institutions must also demonstrate administrative capability and financial responsibility, as defined by federal regulations. See, e.g., 34 CFR 584.15-584.16 and 584.17-584.18. An institution's failure to meet and maintain those standards can lead to limitation, suspension or termination proceedings. (See 23 Ill. Adm. Code 2790.1.)

- L) Institutions that have been assigned Multiple OPE-ID numbers will be required to designate one as the primary OPE-ID.
- M) Institutions must report to ISAC Of its Federal Employer Identification Number (EIN) in order to receive payment pursuant to any ISAC-administered program.

(Source: Amended at 20 Ill. Reg. _____, effective

9170

JUL 1 1996

Section 2700.40 General Applicant Eligibility Requirements

- a) Except as otherwise provided by this subsection, an Applicant with a

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

defaulted loan guaranteed loan made pursuant to Title IV of the Higher Education Act or a defaulted private loan made pursuant to Title IV of the Higher Education Act is not eligible for benefits under ISAC-administered programs.

- 1) Eligibility for Guaranteed Loans assistance may be reinstated in accordance with Federal Regulations and the following provisions:

A) Eligibility for ISAC-Guaranteed Loans will be reinstated when:

- i) the debt has been paid in full;

ii) the borrower has made a "satisfactory voluntary repayment arrangement" in accordance with 34 CFR 584.15-44 and 584.16-44; or

- iii) the borrower's prior defaulted loan(s) has been rehabilitated in accordance with 34 CFR 584.15-44 and 584.16-44; or

- iv) the borrower has made these consecutive voluntary monthly payments on a defaulted loan(s) to SACS/State for the purpose of re-establishing that loan(s) in accordance with 34 CFR 584.15-44 and 584.16-44.

- B) Borrowers are eligible to use subsections (A)(ii) and (A)(iii) above only one time during the entire life of any loan guaranteed by ISAC-administered Gift Assistance.

- C) Reinstatement for ISAC-administered Gift Assistance will be required for all defaulted loans when the Applicant has "satisfactory voluntary repayment" and for each six consecutive months thereafter the requirement set forth in subsection a)(1)(A) above. Factors to be considered by ISAC in evaluating the repayment record include: the amount of the debt, the amount of the payments received by ISAC, the employment status of the Applicant, and the frequency of the Applicant's contact with ISAC.

- 2) An Applicant for Illinois Veterans Grant (IVG) assistance (23 Ill. Adm. Code 2790.1) shall be permitted one term of assistance during which a satisfactory repayment record, as defined by subsection a)(1)(C) above, must be established. If such a repayment record is not established, additional assistance shall be denied until a satisfactory repayment record is established.

- b) No Applicant shall receive ISAC-administered assistance if the Applicant owes a refund for any ISAC-administered Gift Assistance, a Federal Pell Grant, or a Federal Supplemental Educational Opportunity

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

Grant (SEOG) (20 U.S.C.A. 1070(b)).

- c) An Applicant shall, upon request, provide documentation to establish and verify eligibility. (See: Section 2700.50.) Failure to supply adequate documentation will result in the denial of student assistance.
- d) An applicant supplying fraudulent data shall be denied assistance and may also be denied prosecution by the Illinois Attorney General, United States Department of Justice and/or an Illinois State's Attorney.
- e) All Applicants must submit their Social Security Number.
- f) Recipients who cease to be Residents of Illinois after notification of eligibility may complete the Academic Year with the assistance awarded.
- g) Unless otherwise provided, benefits under Gift Assistance programs are subject to the limits of dollars appropriated to ISAC by the Illinois General Assembly and approved by the Governor. Benefits under Gift Assistance programs are generally limited to the Regular School Year. If funding is available, assistance for summer terms shall be awarded separately.
- h) When Gift Assistance eligibility is limited to a specified number of term payments, the eligibility cap is calculated in accordance with the following:
 - 1) For each semester, the eligibility cap is calculated in accordance with the recipient's semester term of full-time payment benefits. The recipient is assessed six eligibility units. For each quarter term of full-time payment benefits, the recipient is assessed four eligibility units.
 - 2) For each semester term of half-time payment benefits, the recipient is assessed three eligibility units. For each quarter term of half-time payment benefits, the recipient is assessed two eligibility units.
 - 3) Sixty eligibility units are the equivalent of payments for ten semesters, fifteen quarters of full-time benefits.
 - 4) Forty-eight eligibility units are the equivalent of payments for eight semesters, twelve quarters of full-time benefits.
- i) An Applicant shall comply with Selective Service registration requirements pursuant to compliance--Administrative--the Secretary--Secretary--at CFR 68.91 et seq.
- j) Except for transfers pursuant to 23 Ill. Adm. Code 2730 (Illinois General Fund Grant Program) and 23 Ill. Adm. Code 2733 (Illinois Academic Grant Program), an Applicant must be maintaining satisfactory Academic Standing in accordance with the Institution's policy.
- k) Students Enrolled in Academic Programs while incarcerated are ineligible for ISAC Academic Programs unless incarcerated are National Guard and Illinois Veteran Grant Program recipients.

(Source: Amended at 10 Ill. Reg. 9170, effective 1-1-1996)

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

Section 2700.50 Determining Applicant Eligibility

- a) The evaluation of Applicant eligibility is the responsibility of both the Institution and ISAC.
- b) No Applicant is announced eligible for assistance by ISAC unless the application establishes prima facie eligibility. ISAC consults with other appropriate state and federal agencies in the process of reviewing application data. Such agencies include, but are not limited to, the U.S. Department of Education (ED), U.S. Internal Revenue Service (IRS), U.S. Immigration and Naturalization Service (INS), Illinois Department of Public Aid, Illinois Department of Revenue, and Illinois Department of Children and Family Services.
- c) When requesting payment for ISAC Gift Assistance programs, the postsecondary institution must certify that the Applicants appropriately receive assistance recipients. If an institution subsequently determines that a student is ineligible for assistance, all or part of the awarded assistance, pending verification, must be returned to ISAC and submit the appropriate refund verification form. After receipt of payment or the end of a term, whichever is later, the institution shall certify to ISAC that the student is ineligible for assistance with ISAC rules and/or Federal Regulations when an Applicant is eligible based upon enrollment in a particular academic program.
- d) If an Institution erroneously certifies an Applicant to be eligible, ISAC will recover the incorrect payment from the Institution. Any student who obtained ISAC-administered funds by submitting inaccurate information to an Institution must tender restitution to the Institution to be eligible for ISAC assistance at that Institution.
- e) If an Applicant is selected for verification in conjunction with Federal student assistance, that Applicant shall also be verified for ISAC-administered programs. A selected Applicant must be verified for ISAC programs even if the Applicant is ineligible for Federal student assistance.
- f) Because IF verification procedures do not include procedures for certifying a student as a resident of Illinois, the following provisions shall be followed by the Institutions, the following:
 - 1) Notwithstanding the requirements of subsection (2)(2) below, residency verification shall not be required for students who received payment of VAP award during the previous Academic Year.
 - 2) If residency status shall be verified for each Applicant who is selected for verification and meets one of the following criteria:
 - A) the Applicant has changed residency status and has become an independent student; or
 - B) the Applicant has not been enrolled in an ISAC-approved VAP Institution or an ISAC-approved Illinois High School (see: Section 2700.30) during the preceding twelve months; or
 - C) the Institution has any information which indicates the

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

the use of ISAC's appeal process and must indicate the specific issue(s) to be reviewed. Each complainant shall be sent a written response within fifteen working days of receipt of their appeal.

1) A complainant may submit any evidence which the complainant believes relevant to the issue appealed. If ISAC is not able to make a determination based on the information provided, the complainant may be requested to supply additional written materials related to the issue (e.g., income tax returns, ISAC correspondence).

2) The standard of review is whether, based on the manifest weight of the evidence, the administrative decision(s) being appealed is (are) contrary to the law, the public interest, or the constitutional, state, local, rules and regulations relevant to the issue appealed.

c) At the complainant's discretion, a complainant may be represented by legal counsel. Except for appeals pursuant to Section 2730.10(c)(4) (Illinois residence) and 23 Ill. Adm. Code 2730.11(a) (Statewide designations), Applicant appeals shall not be written or submitted by a lender or an institution. A lender or an institution may advise an applicant on appeal issues and opportunities.

d) The complainant shall submit an appeal directly to the appropriate ISAC Manager. An appeal may be pursued through the appropriate sequence of ISAC's administrative levels culminating with an appeal to the Executive Director. (See: 2 Ill. Adm. Code 2730.11(a), Appendix A, Organization Chart.)

e) Adjudicator hearings are available for complainants who have first exhausted the procedures of subsection (d) of this Section. A hearing shall be requested in writing within 60 days after the date of the Executive Director's appeal decision.

1) Within 10 working days of the receipt of the hearing request, the Executive Director shall schedule a hearing. The hearing shall be conducted in accordance with 23 Ill. Adm. Code 2730.11(d), Hearings.

2) The independent hearing officer shall issue a recommended decision based upon what transpired at the hearing, in accordance with and subject to 23 Ill. Adm. Code 2730.70, Recommended and Final Decisions.

3) If necessary, the hearing officer's decision can be appealed to the Commission.

f) Commission dispositions, as provided for by 23 Ill. Adm. Code 2730.70(e), are considered final administrative decisions as defined by the Administrative Review Law (Public Act 959-001, 95th General Assembly, 1955 ILCS 5 Att. 121). The complainant shall be sent written notice of the Commission's decision. The final administrative decision is made within 10 working days after the Commission's disposition of the appeal.

(Source: Amended at 20 Ill. Reg. _____, effective

9170

JUL 1 1996

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

1) Heading of the Part: Illinois National Guard Grant Program

2) Code Citation: 23 Ill. Adm. Code 2730

3) Section Number: Adopted Section:
2730.10 Amended
2730.20

4) Statutory Authority: Implementing Section 45 and authorized by Section 20(c) of the Higher Education Student Assistance Act (110 ILCS 947.45 and 20(c)).

5) Effective Date of Rulemaking: July 1, 1996

6) Does this rulemaking contain an automatic repeal date? No

7) Does this rulemaking contain incorporations by reference? No

8) Date Filed in Agency's Principal Office: June 13, 1996

9) Notice of Proposal Published in Illinois Register: February 2, 1996, 20 Ill. Reg. 1341

10) Has ICAR issued a Statement of Objections to these rules? No

11) Differences between official and final version: A few minor, technical changes were made in response to comments from the public or suggestions from ICAR staff. Additionally, in Section 2730.10(a)(1)(B), the words "satisfactory academic progress policy" were replaced with "acceptable grade point average" to more accurately reflect the legislative intent.

12) Have all the changes agreed upon by the Agency and ICAR been made as indicated in the statement letter filed by ICAR? Yes

13) Will this rulemaking replace an emergency rule currently in effect? No

14) Are there any amendments pending on this Part? No

15) Summary and Purpose of Rulemaking: ISAC annually reviews its rules in order to respond to market changes and client suggestions. To implement State and Federal statutory amendments, and to clarify issues that have arisen during the previous year, in addition to making minor technical and grammatical changes throughout this Part, ISAC adopted the following substantive amendments: Section 2730.10(c) has been restructured to more closely parallel the similar delineation of eligible and non-eligible fees in the Illinois Warrent Grant Program, Part 2730. The deadline dates for return of payment certification forms contained in Section 2730.20(b)(1) have been changed from business day limits to calendar day limits, since

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

clients had suggested that they do not always know which days are official business days, and it would be easier to calculate due dates based on calendar days.

- 16) Information and questions regarding these adopted amendments shall be directed to:

Ms. Rachel G. Martinec
Compliance Counsel
Illinois Student Assistance Commission
1755 Lake Cook Road
Deerfield, IL 60015
(847) 948-8500

The full text of the Adopted Amendment begins on the next page:

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

TITLE 23: EDUCATION AND CULTURAL RESOURCES
SUBTITLE A: EDUCATION
CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSION

PART 2730
ILLINOIS NATIONAL GUARD GRANT PROGRAM

Section
2730.5 Summary and Purpose
2730.10 Applicant Eligibility
2730.20 Program Procedures

AUTHORITY: Implementing Section 45 and authorized by Section 20(f) of the Higher Education Student Assistance Act (110 ILCS 147/45 and 20(f)).

SOURCE: Adopted at 3 Ill. Reg. 4, p. 38, effective January 26, 1979; rules repealed at 6 Ill. Reg. 3039, effective June 30, 1982; new rules adopted at 6 Ill. Reg. 3413, effective June 30, 1982; codified at 7 Ill. Reg. 10377; amended at 8 Ill. Reg. 17016, effective September 5, 1984; amended at 9 Ill. Reg. 2087, effective January 1, 1988; amended at 11 Ill. Reg. 1302, effective January 29, 1987; amended at 12 Ill. Reg. 11531, effective July 1, 1988; transferred from Chapter IX, 23 Ill. Adm. Code 1730 (State Scholarship Commission) to Chapter XIX, 23 Ill. Adm. Code 2730 (Illinois Student Assistance Commission) pursuant to P.A. 86-168, effective July 1, 1989, at 13 Ill. Reg. 17857; amended at 14 Ill. Reg. 20567, effective July 1, 1990; amended at 16 Ill. Reg. 11854, effective July 1, 1992; amended at 17 Ill. Reg. 10563, effective July 1, 1993; amended at 18 Ill. Reg. 10103, effective July 1, 1994; amended at 20 Ill. Reg. 9187, effective JUL 1 1996.

Section 2730.10 Applicant Eligibility

a) Students must file an application annually indicating the Institution to which they intend to attend. Application deadlines are specified in Section 2730.20(d)(2).

1) Eligible Applicants will receive an Eligibility Letter from ISAC for each Academic Year following the filing of the application. This letter must be delivered to the educational institution at which the student is enrolled. Ineligible Applicants will receive written notification from ISAC of their ineligibility to receive program benefits.

2) ISAC verifies application data in consultation with the Illinois Department of Military Affairs when reviewing an application.

b) Applicants must have served for at least one year in the Illinois National Guard. Eligibility is available to any enlisted person or any company grade officer including warrant officers, first and second lieutenants, and captains in the Army and Air National Guard.

c) Fees exempted by the National Guard (drank, transportation, dependent fees) are limited to thirty registration fees and dependent fees, and by this program are limited to thirty registration fees and dependent fees.

ILLINOIS STUDENT ASSISTANCE COMMISSION

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

NOTICE OF ADOPTED AMENDMENTS

dates.

- e) Eligible recipients are entitled to receive benefits for the equivalent of eight semesters/twelve quarters of full-time enrollment. 1) To determine the amount of eligibility a recipient has used, credit hours will be converted to "eligibility units" according to the following chart:

Number of Hours	Semester School	Quarter School
12 or more hours	12 units	8 units
9 - 11.99 hours	9 units	6 units
6 - 8.99 hours	6 units	4 units
3 - 5.99 hours	3 units	2 units
0 - 2.99 hours	1 unit	1 unit

- 2) Recipients may continue to reapply and accumulate up to 96 units, after which point eligibility for program benefits will cease.
3) In the event that the recipient withdraws from a course(s) prior to the end of a term, eligibility units will be assessed in proportion with the total dollars that are paid. If the recipient has had any portion of his/her tuition and fees paid, at least one eligibility unit will be charged to the recipient. At a cost of \$100.00, recipients may receive semester hours at a cost of \$100.00. Recipients may receive credit for prior enrollment and incur expenses of \$10.00 in accordance with the Institution's tuition refund policy. The recipient would use six eligibility units and would receive \$150.00 in benefits.

- 4) The eligibility units used for a non-credit course shall be the same as the number of eligibility units used for a credit course having the same number of total faculty contact hours.
5) If a current year Applicant is discharged or has membership extended by the Guard, SSC will send a revised eligibility letter or ineligibility letter to the applicant. In the case of discharges, a copy of the letter will be sent to the Institution of record.
6) If a recipient ceases to be a member of the Guard in mid-term, benefits are terminated and the recipient is responsible for the costs attributed to the remainder of the term. If an applicant becomes a full-time student, in accordance with Section 270.10(b), benefits will be prorated. A portion of the term for which the applicant is eligible, prorated, will be subtracted from the total term established in subsection (d). Costs are prorated on the basis of Institution's scheduled days of instruction minus institutionally scheduled holidays and examination periods.

- Calculation: Total tuition costs divided by total instructional days = cost per day x days of eligibility = total proration.
b) Out-of-state residents will receive tuition and applicable fee benefits equivalent to those received by in-state residents at the Illinois Institution; recipients attending out-of-district community

colleges will receive tuition and applicable fee benefits equivalent to those at the in-district rate. Recipients shall not be responsible for paying the difference between in-state and out-of-state tuition nor will they be responsible for paying the difference between in-district and out-of-district tuition.

- 1) Payment of a recipient will be made to only one Institution per year. Recipients must have a Concurrent Registration opportunity, the same payment policy will be in effect as that used in the Monetary Award Program. (See 21 Ill. Adm. Code 2193.10(d).)

(Source: Amended 10 Ill. Reg. 9187, effective JUL 1 1986)

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: Illinois Special Education Teacher Tuition Waiver Program

- 2) Code Citation: 29 Ill. Adm. Code 2765

- 3) Section Numbers:

2765.10 Amended

2765.10 Amended

2765.10 Amended

2765.10 Amended

- 4) Statutory Authority: Implementation of Section 55.15 of the Higher Education Student Assistance Act (29 ILCS 24.0511) and authorized by Sections 21(d) and 45.3(a)(2) of the Higher Education Student Assistance Act.

- 5) Effective Date of Publication: July 1, 1996

- 6) Does this rulemaking contain an automatic repeal date? No

- 7) Does this rulemaking contain incorporations by reference? No

- 8) Date Filed in Agency's Principal Office: June 10, 1996

- 9) Notice of Proposal Published in Illinois Register: February 2, 1996, 29 Ill. Reg. 1445

- 10) Has ICAR issued a Statement of Comments to these rules? No

- 11) Differences (if any) between original and final version: A few minor, technical changes were made in response to comments from the public or suggestions from ICAR staff.

- 12) Have all the changes agreed upon by the agency and ICAR been made as indicated in the airsheet letter issued by ICAR? Yes

- 13) Will this rulemaking replace an existing rule currently in effect? No

- 14) Are there any amendments pending at this time? No

- 15) Summary and Purpose of Rulemaking: ICAC annually reviews its rules in order to respond to market changes and student suggestions. To implement State and Federal statutory amendments, and to clarify issues that have arisen during the previous year, in addition to making minor technical editing changes throughout this Part, ICAC adopted the following substantive amendments to Section 2765.10. The result of teaching career advancement and Section 2765.10 is to make clearly the purpose of the program. Teachers are asked to more clearly identify the schools in which they are employed. These schools are previously inadvertently omitted. The definition of "eligible institution" is

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

modified in Section 2765.20 to reflect the dissolution of the Board of Governors and the Board of Regents by Public Act 89-0079. All institutions previously governed by these boards are now individually named, as are all other eligible institutions. Section 2765.30(1)(3)(4) has been amended to require that a qualified applicant be a graduate of an Illinois high school. Section 2765.30(d)(3) has been added to provide a requirement that recipients agree to provide ICAC with evidence of compliance with program requirements, such as relating to annual questionnaires. Section 2765.50(d) has been amended to clarify that the maximum timeframe allowed for completion of a course if study includes leaves of absence. Section 2765.50(e) has been added for the institution to notify ICAC of leaves of absence for teaching commitment requirement.

- 16) Information and questions regarding these adopted amendments shall be directed to:

Ms. Rachel G. Martinez
Compliance Counsel
Illinois Student Assistance Commission
1755 Lake Park Road
Deerfield, IL 60015
(847) 948-8300

The full text of the adopted amendment begins on the next page:

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

TITLE 23: EDUCATION AND CULTURAL RESOURCES

SUBTITLE A: EDUCATION
CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSION

PART 2165

ILLINOIS SPECIAL EDUCATION TEACHER TUITION WAIVER PROGRAM

Section	
2165.10 Summary and Purpose	
2165.20 Definitions	
2165.30 Scholar Eligibility	
2165.40 Program Procedures	
2165.50 Institutional Procedures	

AUTHORITY: Implementing Section 65.15 of the Higher Education Student Assistance Act and authorized by Sections 2.0(f) and 65-15(a)(2) of the Higher Education Student Assistance Act (110 ILCS 947.01(f), 65.15, and 65-15(a)(2)).

SOURCE: 9194, 19 Ill. Reg. 8354, effective July 1, 1995; amended at 20 Ill. Reg. _____, effective JUL 1 1996.

Section 2165.10 Summary and Purpose

- The Illinois Special Education Teacher Tuition Waiver Program encourages current teachers and academically talented students to pursue careers as Illinois public-private or parochial elementary and secondary Illinois special teachers in any area of Special Education.
- This part establishes the rules which govern the Illinois Special Education Teacher Tuition Waiver Program. Additional Rules and Definitions are contained in the General Provisions Part at 23 Ill. Adm. Code 2100. Defined terms are indicated by the first letter being capitalized.

(Source: Amended at 20 Ill. Reg. **9194**, effective JUL 1 1996.)

Section 2165.20 Definitions

"Eligible Institution" - For the purposes of this Part, Chicago State University, Eastern Illinois University, Governors State University, Illinois State University, Northern Illinois University, Northern Illinois State University, Southern Illinois University, Carbondale, Southern Illinois University Edwardsville, University of Illinois (Chicago), University of Illinois Springfield, University of Illinois Urbana and Champaign, Western Illinois University, and the University of Wisconsin-Stevens Point are designated as the Board of Governors and the Board of Regents.

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

"Fees" - For the purposes of this Part, the Fees that a Special Education Scholar receives from funding include: the tuition, the graduation activity fees or incidental fee, the fees for which the Scholar remains responsible include: multipurpose fees or any other fees such as book costs, service, laboratory, supply, lunch building, hospital and medical insurance fees and any fees established for the operation and maintenance of buildings, the income if which is pledged to the payment of interest and principal on bonds issued by the governing board of any public university or community college.

"Qualified Applicant" - An Applicant who meets the requirements of Section 2165.30(b).

"Scholar" - For the purposes of this Part, a Special Education Scholar.

"Special Education" - A postsecondary educational program designed to teach students how to meet the needs of children having learning disabilities, handicaps, physical disabilities, mental disabilities, hearing disabilities, visual disabilities, and other disabilities. (See 110 ILCS 1.4-1.12 and 1.4-1.13.) These programs prepare students for meeting the needs of children who avoid and adapting to accept the characteristics ranging from very mild to very severe. (See 110 ILCS 1.4-1.12, Special Education.) Such a program prepares a student to teach handicapped children or children with learning disabilities. (See 110 ILCS 1.4-1.12 and 1.4-1.13.)

"Special Education Scholar" - An individual who receives assistance under this Part.

"Tuition Waiver" - An exemption from paying the Tuition and Fees at an Eligible Institution.

(Source: Amended at 20 Ill. Reg. **9194**, effective JUL 1 1996.)

Section 2165.30 Scholar Eligibility

- A completed application must be received in ISAC's Special Office on or before February 15 immediately preceding the Academic Year for which the scholarship is being requested, in order to receive priority consideration.
- In addition to filing a timely application, a Qualified Applicant must:
 - be a United States citizen or an Eligible Noncitizen;
 - be a Resident of Illinois;
 - be an individual who has agreed to take courses that will prepare him/her for the teaching in a Special Education discipline at

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

handicapped students with learning disabilities; and

- A) a transfer student to an Illinois high school (or a student scheduled to graduate from an Illinois high school by the end of the school year) in which the award is made; and the student is in the upper half of his or her high school graduating class; or
 - B) a Special Education Teacher who holds a teaching certificate that is not in full compliance with the Illinois Special Education Teacher Tuition Waiver Act and who is employed by the State of Illinois on a full-time basis as an undergraduate or graduate student seeking initial certification in any area of Special Education; and
 - C) attend, or plan to attend, an eligible institution; and
 - D) not have received the Illinois Special Education Teacher Tuition Waiver in the past.
- C) Applicants will be notified if they are not Qualified Applicants. A non-qualified Applicant may appeal a finding of ineligibility in accordance with 23 Ill. Adm. Code 210.10, Appeal Procedures.
- D) Prior to receiving assistance, the Special Education Scholar must sign a Teaching Agreement Preliminary Note, which must be submitted to ISAC. The Teaching Agreement Preliminary Note shall include the following:
- 1) a pledge on the part of the Scholar to teach in the field of Special Education for two of the five years immediately following placement in a position of employment in any recognized public, private, or parochial school in Illinois; and
 - 2) a pledge to comply with the teaching requirement is not fulfilled, the Scholar must pay the State of Illinois the amount of the Special Education Scholar Tuition Waiver that the Scholar received, plus interest at a rate equal to 5% per annum, and
 - 3) a further stipulation that the Scholar agrees to provide ISAC with evidence of compliance with program requirements (e.g., transcripts, annual follow-up questionnaires, etc.).
- E) A Special Education Scholar shall not be in violation of the Teaching Agreement, and thus may defer payment as set forth in subsection (d)(1) of this Section, if the Special Education Scholar:
- 1) serves for not more than four years, as a member of the United States Armed Services;
 - 2) is temporarily disabled, for not more than three years, as determined by the sworn affidavit of a licensed physician;
 - 3) is pursuing a postgraduate degree and is enrolled on a full-time basis in an eligible institution; or
 - 4) is teaching and is unable to find, for not more than two years, a full-time employment as a Special Education teacher, and is able to prove the inability to find such employment by the sworn affidavit of a physician.
- 5) withdraws from a course of study leading to a teacher certification in Special Education but remains enrolled in a full-time basis in another academic discipline. Enrolled in a full-time basis in another academic discipline shall not be required to pay the amount of

E) A Special Education Scholar shall not be required to pay the amount of

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

the Tuition and Fees waived if she becomes permanently totally disabled, as established by the sworn affidavit of a licensed physician (see e.g., 34 CFR 551.42(k)(1)); or if his or her representative provides ISAC with a death certificate or other evidence that the Scholar has died.

(Source: Amended at 20 Ill. Reg. 9194, effective JUL 1996)

Section 2765.50 Institutional Procedures

- a) Tuition Waivers are available towards credit for any semester quarter within an Academic Year in which the Special Education Scholar ceases to be employed in a Special Education position, or otherwise shall certify to ISAC the total amount of Tuition and Fees that have been waived on behalf of the Special Education Scholar.
 - C) A Special Education Scholar shall be exempt from paying Tuition and Fees at an eligible institution for up to four calendar years.
 - d) In any Academic Year in which the Special Education Scholar accepts or receives financial assistance through the Paul Douglas Teacher Scholarship Program (23 Ill. Adm. Code 216.2), the Minority Teachers of Illinois Scholarship (23 Ill. Adm. Code 216.3), or the Robert Taft Teacher Shortage Scholarship (23 Ill. Adm. Code 216.4), the Scholar shall forfeit his or her eligibility for assistance under this Part.
 - e) If a Scholar is eligible for such a Tuition Waiver and Grant assistance under the Secretary Award Program (23 Ill. Adm. Code 216.5), the Scholar's waiver must be used first.
 - F) Special Education Scholars must be enrolled at an eligible institution on a full-time basis. However, a leave of absence may be granted by the president of the eligible institution, at the request of the Scholar, for the following reasons:
 - 1) waiting funds to carry the Scholar's educational expenses;
 - 2) illness of the Scholar or a member of the Scholar's immediate family, as established by the sworn statement of a licensed physician; or
 - 3) military service.
- 7) A Special Education Scholar must complete his or her course of study within six years following the date of acceptance. However, a leave of absence granted by the institution shall not be considered part of the six years within which a Scholar must complete a degree.
- 8) ISAC shall be notified of the expiration of a Scholar's leave of absence.

(Source: Amended at 20 Ill. Reg. 9194, effective JUL 1996)

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: Illinois Veteran Grant (VVG) Program
- 2) Code Division: 23 Ill. Adm. Code 2733
- 3) Section numbers:
Adopted Action:
 2733.30 Amended
- 4) Statutory Authority: Implementing Section 40 and authorized by Section 20(c) of the Higher Education Student Assistance Act (10 ILCS 947.40 and 20(c)).
- 5) Effective Date of Rules' Amendments: July 1, 1996
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this amendment contain incorporations by reference? No
- 8) Date filed in Agency's Principal Office: June 10, 1996
- 9) Notations of Proposal Published in Illinois Register: February 2, 1996, 23 Ill. Reg. 344
- 10) Has ICAR issued a Statement of Corrections to these rules? No
- 11) Differences between original and final version: One minor technical change was made in response to comments from the public. Additionally, Section 2733.30(c), which refers to processing and vouchering time constraints, was amended so that clients could understand the role of the State Controller in processing payments for the grant program.
- 12) Have all the changes listed only by the agency and ICAR been made as indicated in the statement of corrections? Yes
- 13) Will these amendments replace an emergency rule currently in effect? No
- 14) Are there any amendments pending in this Part? No

15) Summary and Purpose of Amendments: ICAC annually reviews its rules in order to respond to market changes and client suggestions, to implement State and Federal statutory amendments, and to clarify issues that have arisen during the previous year. In addition to making minor technical and grammatical changes incorporated in this Part, ICAC adopted the following substantive amendments: Section 2733.30(a)(3) has been modified to clarify that an applicant must provide documentation for all periods of service in order for ICAC to verify the Illinois residency of the veteran. In Section 2733.30(a)(3)(C), the form number of the enlistment contract has been updated and a phrase has been added to parallel the clarification

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

provided in subsection (a)(3). The wording in Section 2733.30(b) has been revised to simplify the process by which an institution can verify a student's eligibility for Section 2733.30(C) Grants. The amendments include a final deadline of August 15, 1996, for institutions to request a review of a student's status. The amendments also require that the institution give ICAC sufficient time to process claims before the end of the fiscal year lapse period. If an institution were to miss that date, it could attempt to seek payment through the Court of Claims.

- 16) Information and questions regarding these adopted rules amendments shall be directed to:

Ms. Raquel G. Martinez
 Compliance Counsel
 Illinois Student Assistance Commission
 1795 Lake Park Road
 Decatur, IL 60015
 (847) 748-9500

The full text of the adopted rules amendments begin in the next page.

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

TITLE 23: EDUCATION AND CULTURAL RESOURCES

SUBTITLE A: EDUCATION

CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSION

PART 2733

ILLINOIS VETERAN GRANT (VIG) PROGRAM

- Section
2733.10 Summary and Purpose
2733.20 Grant Eligibility
2733.30 Program Procedures

ATTORNEY: Implementing Section 40 and authorized by Section 20(c) of the Higher Education Student Assistance Act (110 ILCS 947.40 and 20(c)).

SOURCE: Emergency rule adopted at 20 Ill. Reg. 1432, effective August 20, 1986, for a maximum of 30 days; adopted at 11 Ill. Reg. 3207, effective January 29, 1987; amended at 12 Ill. Reg. 1536, effective July 1, 1988; transferred from Chapter IX, 23 Ill. Adm. Code 733 (State Scholarship Commission) to Chapter XIX, 33 Ill. Adm. Code 733 (Illinois Student Assistance Commission) pursuant to P.A. 98-166, effective July 1, 1989, at 13 Ill. Reg. 2893; amended at 14 Ill. Reg. 1551, effective July 1, 1990; emergency rule adopted at 15 Ill. Reg. 7913, effective October 1, 1991, for a maximum of 150 days; amended at 16 Ill. Reg. 1231, effective April 1, 1992, for a maximum of 90 days; amended at 17 Ill. Reg. 1231, effective April 1, 1992; amended at 18 Ill. Reg. 1231, effective April 1, 1993; amended at 19 Ill. Reg. 10570, effective July 1, 1993; amended at 20 Ill. Reg. 10009, effective July 1, 1994; amended at 20 Ill. Reg. 9200, effective July 1, 1996.

JUL-1996

Section 2733.30 Program Procedures

- a) An Applicant must apply to ISAC for designation as a Qualified Veteran. ISAC shall issue a notice of eligibility to an Applicant who is a Qualified Veteran as defined by this subsection.

1) Definition of "Qualified Veteran"

- A) Any person who served in the Armed Forces of the United States who:
- at the time of entering service was an Illinois resident or was an Illinois resident within 6 months prior to entering such service; and
 - promptly leaving service returned to Illinois within 6 months after leaving service; and
 - is married to a person in continued military service (as defined in 10 USC 101(16)) who was discharged or discharged under honorable conditions from military service within 5 months after his or her spouse's discharge; or
 - if married to a person in continued military service,

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

- applies for this grant program within 6 months of his or her spouse being stationed within Illinois.
- B) Any veteran who, at the time of entering the Armed Forces, was a student at a State-controlled college or university or community college and who, after leaving service, returned to Illinois within 6 months.

- C) Any member of the Armed Forces of the United States who has served at least one year of active duty and who would be a Qualified Veteran under this subsection if honorably discharged from such service.

- D) An individual is not a Qualified Veteran if the individual was discharged from the Armed Forces of the United States under other than honorable conditions. An individual is not a Qualified Veteran if he or she was discharged from the Armed Forces for less than the year which was due with the service.

- 1) The veteran was honorably discharged from such service for medical reasons directly connected with such service; or
- ii) The veteran was honorably discharged prior to August 11, 1967; or

- iii) The veteran was honorably discharged from such service, part of which included duty in the Persian Gulf War or in military operations to aid Somalia.

- 2) The term "Armed Forces" shall be defined as the United States Army, Air Force, Navy, Marines and Coast Guard. Members of the Student Army Training Corps and a state's National Guard are not eligible for assistance under this Part.

- 3) The Applicant shall submit documentation of all periods of service to ISAC which demonstrates eligibility for designation as a Qualified Veteran.

- A) An Applicant should submit a copy of his or her Report of Separation (Form DD 214) with the application which can be obtained from the National Personnel Records Center of the Illinois Department of Veterans' Affairs.

- B) If the Applicant does not have a copy of the DD 214, the Applicant should submit documentation which provides the following information: date of entry; date of separation; type of discharge; total active service; home of place of entry into the service; and home or place of separation from the service. Such documentation must have been issued by the United States Department of Defense (DD) or the Veterans Administration.

- C) If the Applicant is a member of the Armed Forces at the time of application, the Applicant shall submit a copy of the original and/or current enlistment contract (Form DD 214-1) and a letter from the commanding officer. If the veteran is in an initial enlistment, a copy of the original contract must be provided. If the veteran is on an enlistment

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: Limitation, Suspension and Termination Proceedings
- 2) Code Citation: 23 Ill. Adm. Code 2790
- 3) Section Numbers: Adopted Action:
2790.10 Amended
2790.20 Amended
2790.70 Amended
2790.140 Amended
- 4) Statutory Authority: Implementing and authorized by the Higher Education Student Assistance Act (110 ILCS 347) and the Higher Education Act of 1965, as amended (20 U.S.C.A. 1070 et seq.).
- 5) Effective Date of Rulemaking: July 1, 1996
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) Date Filed in Agency's Principal Office: June 10, 1996
- 9) Notice of Proposal Published in Illinois Register: February 2, 1996, 30 Ill. Reg. 2360
- 10) Has JCAR issued a Statement of Objections to these rules? No
- 11) Differences: Between proposal and final version: A few, minor, technical changes were made in response to comments from the public and suggestions made by JCAR staff.
- 12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the Statement of Objections issued by JCAR? Yes
- 13) Will this rulemaking replace an emergency rule currently in effect? No
- 14) Are there any amendments pending on this Part? No
- 15) Summary and Purpose of Rulemaking: ISAC annually reviews its rules in order to respond to market changes and client suggestions, to implement State and Federal statutory amendments, and to clarify issues that have arisen during the previous year. In addition to making minor technical and grammatical changes throughout this Part, ISAC adopted the following substantive amendments: In addition to updating the Federal statutory and regulatory assistance contained in Section 2790.10, subsection (e)(5) has been added to include administrative actions taken by nationally recognized accrediting agencies.

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

- 16) Information and Questions regarding these adopted amendments shall be directed to:

Ms. Raquel G. Martinez
Compliance Counsel
Illinois Student Assistance Commission
1755 Lake Cook Road
Deerfield, IL 60015
(847) 948-9500

The full text of the Adopted Amendment begins on the next page:

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

TITLE 23: EDUCATION AND CULTURAL RESOURCES

SUBTITLE A: EDUCATION

CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSION

PART 2710

LIMITATION, SUSPENSION AND TERMINATION PROCEEDINGS

Section	Summary and Purpose
2790.10	Definitions
2790.20	Informal Compliance Procedures and Pre-Hearing Conferences
2790.30	Emergency Action
2790.40	Suspension Proceedings
2790.50	Limitation or Termination Proceedings
2790.60	Recommendation and Decisions
2790.70	Verification of Mailing and Receipt Dates
2790.80	Termination
2790.90	Reinstatement
2790.100	Refunds, Offsets and Penalties
2790.110	Reinstatement After Termination
2790.120	Hearings

APPENDIX A Matrix (Repealed)

AUTHORITY: Implementing and authorized by the Higher Education Student Assistance Act (10 USC 3471 and the Higher Education Act of 1965, as amended (20 U.S.C.A. 1070 et seq.).

SOURCE: Adopted at 6 Ill. Reg. 11639, effective September 13, 1992; codified at 7 Ill. Reg. 926, amended at 9 Ill. Reg. 10836, effective January 1, 1996; amended at 11 Ill. Reg. 3214, effective January 23, 1997; transferred from Chapter IX, 23 Ill. Adm. Code 790 (State Scholarship Commission) to Chapter XIV, 23 Ill. Adm. Code 2790 (Illinois Student Assistance Commission) pursuant to ILCS 100-1.0/1, effective July 1, 1989, at 13 Ill. Reg. 17961, amended at 15 Ill. Reg. 30468, effective September 23, 1991, amended 16 Ill. Reg. 11697, effective July 1, 1993; amended at 20 Ill. Reg. 9206, effective July 1, 1996.

JUL 1 1996

Section 2790.10 Summary and Purpose

a) This Part establishes rules for the Limitation, Suspension, or Termination of an otherwise eligible Institution or Applicant participating in any or all of the student assistance programs administered by the Illinois Student Assistance Commission (ISAC). These rules apply to an Applicant who and an Institution when violates the provisions of the statutes, Rules, Regulations, Special Arrangements, Agreements, or Limitations set forth in Letter Agreements or Program Participation Agreements and the Higher Education Act of 1965, as amended (20 U.S.C.A. 1070 et seq.).

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

Education Act of 1965, as amended (20 U.S.C.A. 1070 et seq., 1996), including but not limited to: the provisions dealing with the Guaranteed Student Loan Programs (20 U.S.C.A. 1111-1191); Need Analysis (40 U.S.C.A. 1387KK (1994)); General Provisions Relating to Student Assistance Programs (40 U.S.C.A. 1119 (1994)); Teacher Scholarships and Fellowships (40 U.S.C.A. 1111 (1994)); and the regulations of the Secretary of Education relating to student assistance programs, under the Higher Education Act of 1965, as amended, including but not limited to: Institutional Eligibility 34 CFR 610 (1994); Paul Douglas Teacher Scholarship Program 34 CFR 653 (1994); Guaranteed Student Assistance General Provisions 34 CFR 661 (1994); and the State Student Incentive Grant Programs 34 CFR 662 (1994).

b) This Part establishes procedures for the Limitation, Suspension, or Termination Proceedings against Institutions, Applicants, and Institutions and Applicants who violate the provisions of the statutes, Rules, Regulations, Special Arrangements, or Limitations set forth in Letter Agreements or Program Participation Agreements and the Higher Education Act of 1965, as amended (20 U.S.C.A. 1070 et seq.). The purpose of this Part is to protect the integrity of the programs and to guard against losses of Federal Government funds. c) The purpose of this Part is to protect the integrity of the programs and to guard against losses of Federal Government funds. d) -SAC's failure to invoke the provisions contained in this Part does not, however, automatically imply that a student is ineligible for or an Institution's obligation to comply Federal Government regulations governing scholarships, fellowships, grants and loans. Action taken under this Part will not affect an Applicant's or an Institution's responsibility to fulfill the requirements of the Higher Education Act, Federal Regulations or SAC Policies and procedures applicable to outstanding scholarships, grants and loan programs. e) Any action taken under this Part will not affect an Applicant's or an Institution's obligation to pay, if any, to benefits or payments that are due to prior participation in the programs.

a) A determination of an Institution fails to meet the definition of an Institution of Higher Education, as defined in the Higher Education Act of 1965, as amended (20 U.S.C.A. 1070 et seq.), as amended in Section 1451(g) of the Higher Education Act of 1965, as amended (20 U.S.C.A. 1451(g) (1994)).

2) A determination of a Student's loss of eligibility by the Secretary of Education due to a default on a loan is based on the provisions of the Higher Education Act of 1965, as amended (20 U.S.C.A. 1151(2)(B) of the Higher Education Act of 1965, as amended (20 U.S.C.A. 1151(2)(B) (1994)).

3) Educational Administrative Action taken by the U.S. Secretary of Education against a lender 34 CFR 664.100-111.13 (1994) (1994), an educational institution 34 CFR 664.11-111.13 (1994).

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

66837-(1999), or an individual (34 CFR 85.300 - 85.420 (1999));

- [illegible]

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

time or until the problem that initiated the limitation, suspension or termination proceedings is resolved.

"Termination" - The unqualified removal of an Applicant's or an Institution's eligibility for any or all programs for an indefinite period of time, but in no event less than 18 months.

(Source: Amended at 20 Ill. Reg. **92-06**, effective

JUL 1 1996)

Section 2790.70 Recommended and Final Decisions

- a) The Hearing Officer issues an initial or recommended decision based on findings of fact and conclusions of law. Findings of fact shall be based only on evidence considered at the hearing and matters of which the Hearing Officer has personal knowledge. A recommended decision shall not have the force of a final decision until the hearing is held.
- b) The Hearing Officer's recommended decision will be promptly mailed to all parties.
- c) The Hearing Officer's recommended decision may be appealed to the Commission by filing exceptions to the Hearing Officer's recommended decision and a brief in support of those exceptions no later than 10 days after the receipt of the recommended decision. The opposing party shall have 20 days from the receipt of the exceptions and supporting brief to file a response. If no timely exceptions are filed, the party will be deemed to have waived any exceptions and the Hearing Officer's recommended decision shall be implemented.

- 1) All exceptions, briefs, and reply response briefs shall be filed with the Executive Director.
- 2) Each exception shall set forth specifically the questions of procedure, fact, law, or policy to which exceptions are taken and identify that part of the Hearing Officer's recommended decision to which the exception is directed. The supporting brief shall designate, by precise citation, the portions of the record relied upon and shall state the grounds for the exceptions and a citation of authorities.
- 3) The Executive Director shall submit to the Commission the Hearing Officer's recommended decision, exceptions and briefs.
- d) The recommended decision of the Hearing Officer does not take effect while an appeal is pending the appeal, unless the Commission determines that it may would produce a serious and adverse effect upon the programs involved.
- e) In the case of an appeal, the Commission issues a final administrative decision affirming, modifying or reversing the Hearing Officer's recommended decision, including a statement of the reasons for the decision.

(Source: Amended at 20 Ill. Reg. JUL 1 1996, effective

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

JUL 1 1996)

Section 2790.140 Hearings

- a) If the Applicant or the Institution requests a hearing at least 5 days before a proposed action of suspension, termination or termination of the Institution, the Executive Director shall schedule and conduct the hearing. The date will be at least 15 days after the Executive Director receives the request.
- b) A Hearing Officer appointed by the Executive Director conducts the hearing on the record.
- c) The Hearing Officer shall regulate the course of the proceedings, the conduct of the parties during the hearing, provide for the orderly presentation of arguments and evidence, and shall take all steps necessary to conduct a fair and impartial hearing.
- d) The Hearing Officer shall take whatever measures are appropriate to expedite the proceeding which may include, but is not limited to:
 - 1) scheduling of pre-hearing conferences;
 - 2) restricting the number or length of submissions;
 - 3) accepting submissions as to facts and legal authorities;
 - 4) setting time limits for hearings and submission of written testimony;
 - 5) requiring any party who fails to comply with a valid order of the Hearing Officer to be in default, relieving the opposing party of its burden of proof, and awarding summary judgment to the party in default.

- e) At the hearing, the appointed Hearing Officer shall consider any written material presented before the hearing, or any material or other evidence presented during the course of the hearing. The hearing shall be conducted in accordance with Article 10 Sections 1-97 and 10 Sections 1-98 of the Administrative Procedure Act (5 ILCS 100.0/Arts. 1-97 and 1-98).
- f) The Hearing Officer shall not have authority to issue subpoenas. If requested by the Hearing Officer, SAC, the Applicant and/or the Institution shall provide persons who have knowledge about the matter under review for oral or written examination.

- g) The SAC official has the option of proceeding by a preponderance of the evidence in any Submission, limitation or termination hearing.
- h) The Hearing Officer shall not accept evidence that is relevant to the hearing and is not in the record.
- i) The Hearing Officer shall not accept evidence that is relevant to the hearing and is not in the record.
- j) After considering the evidence, the appointed Hearing Officer concludes that a Suspension, Termination or Termination of the Institution is warranted, the Hearing Officer will issue an initial decision, may suspend, limit, terminate or affect the Applicant or the Institution's eligibility in whole or in part.
- k) If a Termination proceeding is brought against an Applicant or an Institution, the appointed Hearing Officer may, at his or her

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

discretion, issue a decision to impose one or more limitations or penalties on an Applicant or an Institution rather than terminating its eligibility.

- 1) Expedited Hearing: With the approval of the Hearing Officer and the mutual consent of the parties, any time schedule specified in this Section may be shortened.
- m) The Applicant or the Institution may be represented by legal counsel at a hearing, but ISAC is under no obligation to provide such counsel.

(Source: Amended at 20 Ill. Reg. 9206, effective

JUL 1 1996)

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENT(S)

- 1) Heading of the Part: Merit Recognition Scholarship (MRS) Program
- 2) Code Citation: 23 Ill. Adm. Code 2761
- 3) Section numbers: Adopted Action:
2761.20 Amended
2761.30 Amended
- 4) Statutory Authority: Implementing Section 30 and authorized by Section 30(h) of the Higher Education Student Assistance Act (10 ILCS 347/30 and 30(h)).
- 5) Effective Date of Rule(s) Amendment: July 1, 1996
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this amendment contain incorporations by reference? No
- 8) Date Filed in Agency's Principal Office: June 10, 1996
- 9) Notice(s) of Proposal Published in Illinois Register: February 2, 1996, 20 Ill. Reg. 369
- 10) Has ICAR issued a Statement of Objections to these rule(s)? No
- 11) Differences(s) between Proposed and final version: A few, minor, technical changes were made in response to comments from the public or suggestions from ICAR staff. Additionally, the amendment originally proposed to Section 2761.30(c)(4) was revised to alleviate an unnecessary step of reporting.
- 12) Have all the changes agreed upon by the agency and ICAR been made as indicated in the agreement letter issued by ICAR? Yes
- 13) Will these amendments replace an emergency rule currently in effect? No
- 14) Are there any amendments pending on this Part? No
- 15) Summary and Purpose of Amendments: ISAC actually reviews its rules in order to respond to market changes and client suggestions, to implement State and federal statutory amendments, and to clarify issues that have arisen during the previous year. In addition to making minor technical and grammatical changes throughout this Part, ISAC adopted the following substantive amendments: The program procedures set forth in Section 2761.30(f)(4) have been modified. If a recipient withdraws from enrollment or drops out of school less than half the status prior to disbursement of the scholarship, the Institution is now required to notify ISAC to prevent payment processing or, if the funds have been received by the

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENT(S)

school, the institution must return the full amount of the funds received to IAC. If a recipient withdraws from enrollment during the first term of the scholarship, after receiving NRS funds, Section 2761.30(e) specifies that the recipient must return the full amount of the scholarship directly to IAC, as provided for in the statute. (110 ILCS 14-7/30(g))

16) Information and questions regarding these adopted rules amendments shall be directed to:

Ms. Raquel G. Martinez
Compliance Counsel
Millions Student Assistance
Commission
1755 Lake Cook Road
Deerfield, IL 60015
(847) 347-8500

The Sixty-Fourth Annual Meeting of the American Statistical Association

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENT (5)

TITLE 23: EDUCATION AND CULTURAL RESOURCES
SUBTITLE A: EDUCATION
CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSION

PART 2361

MERIT RECOGNITION SCHOLARSHIP (MRS) PROGRAM

Section	Summary and Disposal
261.10	Debris
261.20	Debris
261.30	Debris
261.40	Debris

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENT(S)

point average is at or above the 95th percentile, or 90th percentile with respect to students who graduated from such an approved high school during the 1966-67 or 1967-68 school year, of his or her high school class, and who by reason thereof is entitled to apply for scholarships, and who by reason thereof is entitled to apply for Higher Education Student Assistance Act funds--Rev. Stat. 1969-70, ch. 120, par. 1-3.5b(1) [10 ILCS 947.30(a)]

"Graduating Class" - The total number of students to complete the high school's program of instruction and graduate within an Academic Year.

"Qualified Student" - means a person: of good moral character who is a resident of this State and a citizen of the United States, who, as an eligible applicant, has successfully completed the program of instruction at any approved high school located in this State, and who enrolls or is enrolled in a qualified Illinois institution of higher learning or a Service Academy as an undergraduate student or cadet and has not received a baccalaureate degree. (Section 30(a) of the Higher Education Student Assistance Act--Rev. Stat. 1969-70, ch. 120, par. 1-3.5b(1) [10 ILCS 947.30(a)]

"Service Academy" - means the U.S. Air Force Academy, the U.S. Coast Guard Academy, the U.S. Military Academy or the U.S. Naval Academy, hereinafter referred to as an "institution".

"Seventh Semester" - means the period of instruction, at the completion of which, a student has completed eighty percent of the Approved High School's program of instruction for the seventh semester. It will usually be the student's next to last term.

(Source: Amended at 20 Ill. Reg. 9215, effective JUL 1 1966)

Section 2761.30 Program Procedures

a) In February of every year, approved High Schools in Illinois shall certify to the Illinois Student Assistance Commission (ISAC) the names of students who are Eligible Applicants.

- 1) The certification of names shall be submitted on forms provided by ISAC. Certifications submitted by Approved High Schools shall be sent to ISAC.
- 2) ISAC shall promptly notify those Eligible Applicants who are reasonably expected to receive merit recognition scholarships in the accordance with annual funding levels recommended in the Governor's Budget.

3) Eligible Applicants must have completed their Seventh Semester of

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENT(S)

instruction at an Approved High School in Illinois.

- b) Eligible Applicants shall be sent a Verit Recognition Scholarship application which must be completed by the student and the postsecondary institution attended by the Applicant. A complete application must be received by ISAC within one year of High School graduation but absolutely no later than June 15th of the Academic Year immediately following graduation from the Approved Illinois High School. Should the recipient transfer to a different institution after submission of the application, the enrollment transfer must be reported to ISAC in order to receive scholarship payments.
- c) ISAC shall disburse scholarship funds in two increments based on the terms financed by the scholarship. Scholarship funds may be used to finance expenses for a summer term.

1) The application form constitutes a request for payment of first term tuition. ISAC shall issue payment request forms for subsequent terms.

2) Funds shall be disbursed on behalf of the institutions on behalf of the Qualified Students upon receipt of payment of scholarship funds. The institution shall certify the recipient as a U.S. citizen or eligible noncitizen; a resident of Illinois; a Good Moral Character; accepted for enrollment in at least a half-time class; not the recipient of a baccalaureate degree.

3) Upon receipt of scholarship funds, the institution shall verify the recipient's enrollment status. If the recipient is enrolled, the institution may credit the disbursement funds to the recipient's account for expenses then due and payable. The balance of the disbursement shall be released to the recipient.

4) If the recipient has withdrawn from enrollment or drops to less than half-time enrollment prior to disbursement, the institution shall notify ISAC to prevent payment processing. If funds have been received by the institution, the institution shall return the funds to ISAC.

d) Scholarships are applicable to two semesters or three quarter terms and must be used for educational expenses, including, but not limited to, tuition and fees, books and board, books and supplies, required service academy uniforms, and travel and personal expenses related to the recipient's enrollment.

e) Should the recipient withdraw from enrollment during the sixth term of the scholarship, the recipient shall return the funds disbursed to ISAC.

f) Notwithstanding the previous provisions of this section, students who graduated during the 1966-67 or 1967-68 school year whose grade point averages were at or above the 90th percentile of their high school class and who were otherwise eligible to apply for a scholarship under this part shall:

- 1) be eligible for a scholarship in the amount of \$500;
- 2) have had their names certified as Eligible Applicants by Approved High Schools on forms submitted to ISAC;

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENT(S)

- 3) have submitted an application to the Institution at which they are currently enrolled by November 15 of the academic year in which funds have been appropriated for this purpose;
- 4) have Institutions verify that the Qualified Student is: a U.S. Citizen or Eligible Noncitizen; a Resident of Illinois; of Good Moral Character; accepted for enrollment on at least a half-time basis; and is not the recipient of a baccalaureate degree;
- 5) have the scholarships awarded under this subsection provided by a separate appropriation of the General Assembly; and
- 6) have a scholarship awarded by ISAC in order of decreasing percentage as determined by their 7th semester cumulative high school grade point average, if funds appropriated are insufficient to provide all Qualified Students with an award.

(Source: Amended at 20 Ill. Reg. 9215, effective

JUL 1 1996.)

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENT(S)

- 1) Heading of the Part: Minority Teachers of Illinois (MTI) Scholarship Program
- 2) Code Citation: 23 Ill. Adm. Code 2763
- 3) Section Numbers:
2763.40 Amended
2763.50 Amended
- 4) Statutory Authority: Implementing Section 50 and authorized by Section 20(f) of the Higher Education Student Assistance Act (10 ILCS 947/50 and 20(f)).
- 5) Effective Date of Rule(s) Amendment: July 1, 1996
- 6) Does this rulemaking contain an automatic repeal clause? No
- 7) Does this amendment contain incorporations by reference? No
- 8) Date Filed in Agency's Principal Office: June 13, 1996
- 9) Notices(s) of Proposal Published in Illinois Register: February 2, 1996, 20 Ill. Reg. 1375
- 10) Has JCRC issued a Statement of Objections to these rules? No
- 11) Differences(s) between proposed and final version: One minor, technical change was made in response to a suggestion made by JCRC staff.
- 12) Have all the changes agreed upon by the agency and JCRC been made as indicated in the agreement letter issued by JCRC? Yes
- 13) Will these amendments replace an emergency rule currently in effect? No
- 14) Are there any amendments pending on this Part? No
- 15) Summary and Purpose of Amendments: ISAC annually reviews its rules in order to respond to market changes and client suggestions, to implement State and federal statutory amendments, and to clarify issues that have arisen during the previous year. In addition to making minor technical and grammatical changes throughout this Part, ISAC adopted the following substantive amendments: Section 2763.40(g)(5) has been added to ensure that recipients agree to provide ISAC with evidence of compliance with program requirements, such as filling out annual questionnaires. Section 2763.50(e)(4) now includes a cross-reference to the Special Education Teacher Tuition Waiver Program, which is among the forms of ISAC assistance that a scholar may not concurrently receive.

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENT(S)

- 16) Information and questions regarding these adopted rules amendments shall be directed to:

Ms. Raquel G. Martinez
Compliance Counsel
Illinois Student Assistance Commission
1755 Lake Cook Road
Deerfield, IL 60015

(847) 349-3530

The full text of the adopted rules amendments begin on the next page.

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENT(S)

TITLE 23: EDUCATION AND CULTURAL RESOURCES

SUBTITLE A: EDUCATION

CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSION

PART 2763

MINORITY TEACHERS OF ILLINOIS (MTI) SCHOLARSHIP PROGRAM

Section	Summary and Purpose
2763.10	Definitions
2763.20	Minority Scholar Eligibility
2763.30	Application Procedures
2763.40	Institutional Procedures

AUTHORITY: Implementing Section 50 of the Higher Education Student Assistance Act (110 ILCS 947.50) and authorized by Section 20(5) of the Higher Education Student Assistance Act (110 ILCS 947.20(1)).

SOURCE: Emergency rules adopted at 15 Ill. Reg. 16821, effective October 11, 1991, for a maximum of 150 days; emergency expired on March 2, 1992; adopted at 16 Ill. Reg. 7013, effective April 21, 1992; emergency amendments adopted at 15 Ill. Reg. 16326, effective September 18, 1992, for a maximum of 150 days; emergency expired on February 23, 1993; emergency amendment at 17 Ill. Reg. 175, effective January 1, 1993, for a maximum of 150 days; emergency expired on June 1, 1993; amended at 17 Ill. Reg. 10585, effective July 1, 1993; amended at 18 Ill. Reg. 10255, effective July 1, 1994; amended at 19 Ill. Reg. 9261, effective July 1, 1995; amended at 20 Ill. Reg. 9221, effective JUL 1 1996.

Section 2763.40 Application Procedures

- Applications for the Minority Teachers of Illinois Scholarship Program are available from qualified institutions of higher learning, State legislative and congressional offices, and ISAC's Springfield, Deerfield and Chicago offices.
- ISAC will mail renewal applications to all qualified students who received MTI Scholarships during the preceding Academic Year.
- A completed application must be received by ISAC's Springfield office 30 or before the August 1 immediately preceding the Academic Year for which the scholarship is being requested in order to receive priority consideration for a full-year, full-amount award.
- If the student section of an application is incomplete, notification will be sent to the Eligible Applicant. The Eligible Applicant will then have an opportunity to furnish the missing information; however, the application will only be considered for processing as of the date when the student section is complete and received by ISAC. If the school section of an application is incomplete, ISAC will notify the institution directly, when the school submits the missing information.

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENT(S)

- 2) Minority Teachers of Illinois Scholarships are applicable only toward Tuition and fees and room and board charges or commuter allowances, if applicable. The annual scholarship awarded to a Qualified Student must be the lesser of:
- A) Tuition and fees plus room and board expenses charged by the institution;
 - B) Tuition and fees plus the standard commuter allowance for students living off-campus; or
 - C) A maximum of \$5000.
- 3) To receive awarded Minority Teachers of Illinois Scholarship, an assistant teacher must be a full-time teacher in a given academic year, when added to the other financial aid available to the Minority Scholar for that year, cannot exceed the total of the Minority Scholar's financial assistance through the Paul Douglas Teacher Scholarship Program (23 Ill. Adm. Code 2735.120), or the David A. Lebolt Teacher Scholarship Program (23 Ill. Adm. Code 2735.130), or the State Scholarship Program (23 Ill. Adm. Code 2735.140), or the Special Education Teacher Tuition Waiver Program (23 Ill. Adm. Code 2735.150). The Minority Scholar shall not be eligible for scholarship assistance under this Part.
- 5) A Minority Scholar may receive grant assistance under the Monetary Award Program (23 Ill. Adm. Code 2735) only up to the amount by which the Minority Scholar's Cost of Attendance exceeds the amount of the scholarship.

(Source: Amended at 20 Ill. Reg. **9221**, effective JUL 1 1996)

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENT(S)

- 1) Heading of the Part: Monetary Award Program (MAP)
- 2) Code Citation: 23 Ill. Adm. Code 2735
- 3) Section numbers: Adopted Action:
 2735.20 Amended
 2735.40 Amended
 2735.50 Amended
 2735.60 Amended
 2735.80 Amended
 2735.110 Amended
- 4) Statutory Authority: Implementing Section 35 and authorized by Section 20(f) of the Higher Education Student Assistance Act 110 ILCS 947.35 and 20(f)).
- 5) Effective Date of Rule(s) Amendments: July 1, 1996
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this amendment contain incorporations by reference? No
- 8) Date Filed in Agency's Principal Office: June 10, 1996
- 9) Notice(s) of Proposal Published in Illinois Register: February 2, 1996, 20 Ill. Reg. 1881
- 10) Has JCAR issued a Statement of Objections to these rule(s)? No
- 11) Differences(s) between proposal and final version: A few, minor, technical changes were made in response to comments from the public or suggestions from JCAR staff. Additionally, the word "health-education" was added to Section 2735.120(a) to more accurately reflect true legislative intent.
- 12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the agreement letter issued by JCAR? Yes
- 13) Will these amendments replace an emergency rule currently in effect? No
- 14) Are there any amendments pending on this Part? No
- 15) Summary and Purpose of Amendments: ISAC annually reviews its rules in order to respond to market changes and client suggestions, to implement State and federal statutory amendments, and to clarify issues that have arisen during the previous year. In addition to making minor technical and grammatical amendments throughout ISAC's rules, ISAC adopted the following substantive amendments: Certain language was added to Section 2735.20(a)(3) to create a new 2735.20(b) for clarification purposes.

ILLINOIS STUDENT ASSISTANCE COMMISSION

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENT(S)

NOTICE OF ADOPTED AMENDMENT(S)

receive MAP grant payment for less than half-time enrollment provided the recipient was enrolled on or after a half-time basis throughout the institution's tuition refund/withdrawal adjustment period. (See Section 4.35.1(2).)

b) All recipients must demonstrate financial eligibility as determined from the financial data applied to the Illinois Student Assistance Commission (ISAC). (See Section 4.35.4.)

d) MAP eligibility is restricted to undergraduate students.

1) MAP recipients must not have received a baccalaureate degree.

2) Graduate students must not be enrolled for MAP assistance. For purposes of this Part, enrollment shall classify as a "Graduate Student" any student who is enrolled in a course above the baccalaureate level which is leading to any degree above the baccalaureate level; and

b) is not eligible to receive federal financial assistance (34 CFR 54.2, 55.2, 57.2) as an undergraduate student; and

c) has completed the equivalent of at least three years of full-time postsecondary study, either prior to entrance into the academic program or as part of the academic program itself.

g) A recipient may receive the equivalent of 10 semesters/15 quarters of full-time MAP grant payment. (See 23 Ill. Adm. Code 3700.40(h).)

h) A recipient has accumulated less than 20 sixty eligibility units, which may receive an additional term of full-time MAP assistance.

i) A recipient may receive MAP assistance prior to receiving a baccalaureate degree and recipients enrolled in student teaching are classified as full-time students for purposes of MAP grant eligibility.

(Source: Amended at 20 Ill. Reg. 9227, effective JUL 1 1996)

Section 2735.40 Determination of Financial Eligibility

a) Applicants, spouses, and the Parents of Applicants are required to submit financial information on the application, which will be kept confidential, regarding income, asset value, and non-taxable income (e.g., Aid to Families with Dependent Children, public aid, veterans' benefits or Social Security).

b) After receipt of certified data, ISAC shall recalculate awards for those applicants whose applications are not in basic agreement with their financial records.

(Source: Amended at 20 Ill. Reg. 9227, effective JUL 1 1996)

Section 2735.50 Institutional Packaging of Gift Assistance

a) MAP recipients must report to the institution all additional Gift Assistance that applies toward Tuition and Mandatory Fees, such as Tuition Waivers and Scholarships.

b) If a MAP recipient receives other assistance targeted specifically for Tuition and Fees, the combined assistance shall not exceed the total Tuition and Fees, the combined assistance under the Illinois National Guard (NG) Grant program or the Illinois Veteran Grant (VVG) Program (23 Ill. Adm. Code 3730 and 3733). The Applicant is not eligible for a full MAP grant because NG and VVG must be factored into the financial aid packaging prior to awarding MAP gift assistance. The institution may request payment of a partial MAP grant to finance fee expenses not covered by the above-referenced program.

d) If an Applicant is eligible to receive Tuition or fee benefits through a prepaid or reimbursable Tuition plan, or through a payment to the institution by the Applicant's employer, the institution shall request MAP payment in accordance with this subsection:

1) A prepaid Tuition plan is any program which exempts a student from Tuition charges because of a payment(s) to the institution at a time prior to the student's enrollment. A reimbursable

c) MAP grant eligibility is based on the relative financial eligibility at an ISAC-Approved Institution of the Applicant's choice, and is re-evaluated if the student's choice of Institution changes.

d) MAP grant recipients request payment through their educational Institution. MAP grant funds are remitted directly to the educational Institution in the name of the recipient after the Institution certifies an Applicant is an eligible recipient.

e) MAP grants are applicable only toward Tuition and Mandatory Fees. MAP grants may not exceed the:

1) Maximum award specified at 23 Ill. Reg. 9227.40(1)-(4); and

2) Institution's Tuition and Mandatory Fee charges on file with ISAC.

f) The maximum MAP grant available to a recipient attending a Public Community College is limited to the in-district tuition and mandatory fees. The recipient's responsibility shall be arranged to pay the additional charges beyond the MAP grant.

g) Recipients are advised to contact the institution's community college and/or local high school regarding application procedures and deadline dates.

h) Public community college award recipients shall be eligible for payment up to 19 hours (9.5 hours for half-time).

(Source: Amended at 20 Ill. Reg. 9227, effective JUL 1 1996)

Section 2735.50 Institutional Packaging of Gift Assistance

a) MAP recipients must report to the institution all additional Gift Assistance that applies toward Tuition and Mandatory Fees, such as Tuition Waivers and Scholarships.

b) If a MAP recipient receives other assistance targeted specifically for Tuition and Fees, the combined assistance shall not exceed the total Tuition and Fees, the combined assistance under the Illinois National Guard (NG) Grant program or the Illinois Veteran Grant (VVG) Program (23 Ill. Adm. Code 3730 and 3733). The Applicant is not eligible for a full MAP grant because NG and VVG must be factored into the financial aid packaging prior to awarding MAP gift assistance. The institution may request payment of a partial MAP grant to finance fee expenses not covered by the above-referenced program.

d) If an Applicant is eligible to receive Tuition or fee benefits through a prepaid or reimbursable Tuition plan, or through a payment to the institution by the Applicant's employer, the institution shall request MAP payment in accordance with this subsection:

1) A prepaid Tuition plan is any program which exempts a student from Tuition charges because of a payment(s) to the institution at a time prior to the student's enrollment. A reimbursable

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENT(S)

program review and approval procedures shall submit their contractual agreements to ISAC for approval prior to requesting WAP payment for any contractual course work taken. ISAC shall approve the contractual agreement if the terms are consistent with this Section's Institution.

- c) An ISAC-approved Institution that enters into a contractual agreement with a non-approved Institution shall be eligible for ISAC payment. Furthermore, only those courses approved by the Illinois Community College Board for baccalaureate or vocational programs in the public community colleges will be eligible for ISAC payment at the public community colleges.
- d) The governing boards of all ISAC-approved Institutions not subject to ISAC contractual guidelines and/or program review and approval procedures shall submit their contractual agreements to ISAC for approval. Included within the contract shall be the following items:
 - 1) Administrative responsibility for the program is with the ISAC-approved Institution;
 - 2) Provisions for program supervision including on-site visits by the ISAC-approved Institution;
 - 3) Admission policies consistent with the approved Institution's policies;
 - 4) Procedures for the maintenance of records and transcripts by the ISAC-approved Institution;
 - 5) Statement on student tuition, fees, and other charges;
 - 6) Number of credit hours required and criteria for course completion within the program consistent with the ISAC-approved Institution's policies and guidelines for all programs;
 - 7) Student withdrawal policy consistent with ISAC-approved Institution policy;
 - 8) Withdrawal liability insurance;
 - 9) Statement of student employment and evaluation;
 - 10) Availability of student liability services;
 - 11) Consistency with policies, rules, and regulations of other state approval agencies;
 - 12) Establishment and utilization of a representative advisory committee;
 - 13) Provision for follow-up studies consistent with the ISAC-approved Institution practices;
 - 14) Annual program and contract review by the ISAC-approved

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENT(S)

Institution; and

- 15) Certification that the non-approved Institution agency meets statutory requirements and is approved by appropriate State of Illinois agencies and boards.
- 9) ISAC requires that ISAC-approved Institutions to indicate the percentage of study, and the percentage of all students enrolled in the program of study, and the percentage of all students enrolled in the non-approved Institution agency who will receive tuition assistance through an approved contractual agreement. When either of these percentages exceed 33%, the contractual agreement will not be approved by ISAC.
- h) All students wishing to enter into programs where contractual courses are taken must be referred by the ISAC-approved Institution whether these courses are eligible for ISAC payment.
- i) The Contractual Agreement shall be filed with ISAC along with annual tuition and fee charges. (See 23 Ill. Adm. Code 200.30(e).)

(Source: Amended at 20 Ill. Reg. 9227, effective JUL 1 1995)

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: Paul Douglas Teacher Scholarship Program
- 2) Code Citation: 23 Ill. Adm. Code 2762
- 3) Section Numbers:
2762.40
Adopted Action:
Amended
- 4) Statutory Authority: Implementing and authorized by Section 521 et seq. of the Higher Education Act of 1965, as amended (20 U.S.C.A. 1111 et seq.), and Section 210(b) and (f) of the Higher Education Student Assistance Act (20 U.S.C. 947-20(b) and (f)).
- 5) Effective Date of Rulemaking: July 1, 1996
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) Date filed in Agency's Principal Office: June 13, 1996
- 9) Notice of Proposal Published in Illinois Register: February 2, 1996, 20 Ill. Reg. 1992
- 10) Has JCAR issued a Statement of Objections to these rules? No
- 11) Differences between original and final version: A few minor technical corrections were made in response to suggestions from JCAR staff.
- 12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the agreement letter issued by JCAR? Yes
- 13) Will this rulemaking replace an emergency rule currently in effect? No
- 14) Are there any amendments pending on this Part? No

15) Summary and Purpose of Rulemaking: ISAC annually reviews its rules in order to respond to market changes and client suggestions, to implement State and federal statutory amendments, and to clarify issues that have arisen during the previous year. In addition to making minor technical and structural changes throughout this Part, ISAC adopted the following substantive amendments: Section 2762.40(e)(2)(c) has been added to ensure that Scholars will provide ISAC with evidence of compliance with program requirements, such as replying to annual questionnaires. Section 2762.40(f)(1) has been modified to reflect a change in procedures which no longer require the Scholar to sign the payment request form. Section 2762.40(f)(2) now includes a cross-reference to the Special Education Teacher Training Waiver Program, which is among the forms of ISAC assistance that a Scholar may not concurrently receive. And finally,

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

since the Paul Douglas program is a federal program, a provision has been added to Section 2762.40(k) explaining that out-of-state institutions eligible to participate in federal Title IV student assistance programs need not execute an ISAC program participation agreement solely to receive funds on behalf of Paul Douglas scholars.

- 16) Information and questions regarding this adopted amendment shall be directed to:

Ms. Raquel G. Martinez
Compliance Counsel
Illinois Student Assistance Commission
1550 Lake Cook Road
Deerfield, IL 60015
(847) 748-8500

The full text of the Adopted Amendment begins on the next page:

ILLINOIS STUDENT ASSISTANCE COMMISSION

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

NOTICE OF ADOPTED AMENDMENTS

JUL 1 1996

JUL 1 1996

the Scholar is to receive for the same Academic Year under Title IV of the Higher Education Act of 1965, as amended (20 U.S.C.A. 1070 et seq.), would exceed the Scholar's cost of attendance, as defined at Section 472 of the Higher Education Act of 1965 (20 U.S.C.A. 1091b), as amended, the Institution shall take the receipt of the scholarship into account in determining the student's eligibility for other federal financial aid programs. Of the Federal Teacher Scholarship shall not be reduced because of the receipt of the Federal Teacher Scholarship.

4) In any calendar year federal student assistance funds are made available through the Special Education Recruitment and Retention Program (see 31 Ill. Adm. Code 215.00), Teacher Scholarship Program (see 31 Ill. Adm. Code 215.00), or the Minority Teachers of Illinois Scholarship Program (see 23 Ill. Adm. Code 214.00), the Scholar shall not be eligible for scholarship assistance under this Part.

5) A Scholar may receive grant assistance under the Monetary Award Program (31 Ill. Adm. Code 215.00) only up to the amount by which the Scholar's cost of attendance exceeds the amount of the scholarship.

6) Scholarship funds are applicable towards two semesters/three quarters of full-time study within an Academic Year. Upon receipt of scholarship funds, the Institution shall verify that the Scholar's expenses to be incurred. The Institution may then credit scholarship funds to the recipient's account for expenses then due and payable. The balance of the recipient's account shall be released to the Scholar. If the Scholar withdraws from the Institution, the Institution shall return the amount of the scholarship to ISAC for the semester(s) or quarter(s) not attended.

7) A Scholar will be entitled to defer payments due, as outlined in subsection (e)(1)(B) of this Section, during any period in which the recipient meets the conditions outlined in Section 528 of the Higher Education Act, as amended, or applicable federal regulations (see 34 CFR 653.42(g)).

8) A Scholar shall be excused from repayment, for any scholarship assistance received under this Part, if the recipient becomes permanently totally disabled as established by the sworn affidavit of a qualified physician or of his or her representative provides ISAC with a death certificate or other evidence that the Scholar has died. Scholars and Applicants may appeal administrative decisions made pursuant to this Part in accordance with ISAC appeal procedures (see 31 Ill. Adm. Code 215.00).

9) Certain students may be eligible to participate in Title IV Federal student assistance programs. These students need not execute a Program Participation Agreement with ISAC to receive funds on behalf of Social Scholars.

(Source: Amended at 20 Ill. Reg. 9238, effective

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

- 1) Heading of the Part: Robert C. Byrd Honors Scholarship Program
- 2) Code Citation: 23 Ill. Adm. Code 2755
- 3) Section Numbers:
 - 2755.10 Adopted Section:
 - 2755.10 Amended
 - 2755.10 Amended
 - 2755.50 Amended
- 4) Statutory Authority: Implementing Section 65.60 of the Higher Education Student Assistance Act (110 ILCS 247.65.60) and Title IV, Part A, Subpart 6 of the Higher Education Act of 1965, as amended (20 U.S.C. 1070d-31 et seq.) and authorized by Section 20(f) of the Higher Education Student Assistance Act (110 ILCS 247.20(f)).
- 5) Effective Date of Rulemaking: July 1, 1996
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this rulemaking contain incorporations by reference? No
- 8) Date filed in Agency's Principal Office: June 3, 1996
- 9) Notice of Proposal Published in Illinois Register: February 2, 1996, 20 Ill. Reg. 138
- 10) Has JCAR issued a Statement of Objections to these rules? No
- 11) Difference(s) between proposal and final version: A minor, technical change was made in response to public comment.
- 12) Have all the charges agreed upon by the agency and JCAR been made as indicated in the agreement letter issued by JCAR? Yes
- 13) Will this rulemaking replace an emergency rule currently in effect? No
- 14) Are there any amendments pending on this Part? No

15) Summary and Purpose of Rulemaking: ISAC annually reviews its rules in order to respond to market-changing client suggestions, to implement State and federal statutory amendments and to keep its rules current. Changes have been made to the rules to reflect changes in the law that have arisen during the previous year. In addition to making minor technical and grammatical changes throughout this part, ISAC adopted the following substantive amendments: Section 2755.20(b) has been edited to exclude redundant requirements. The program procedures contained in Section 2755.10(e) have been clarified. Section 2755.10(e)(1)(A) now requires that high schools use the same scale in reporting the grade point averages of all applicants to ensure equity within a high school's application

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

population. Section 2755.10(e)(1)(E) has been added to specify that high schools which do not submit class ranks for applicants shall have their students' scores computed using a class rank of one in a class size of one, in order to allow for these applicants to be included in the competition. Finally, since the Byrd Program is a federal program and recipients may use the scholarship at out-of-state institutions eligible to participate in Title IV student assistance programs, Section 2755.30(a) has been added to provide that out-of-state institutions need not execute an Byrd Program participation agreement solely to receive funds on behalf of Byrd scholars.

- 16) Information and questions regarding these adopted amendments shall be directed to:

Ms. Raquel G. Martinez
Compliance Counsel
Illinois Student Assistance Commission
1755 Lake Cook Road
Deerfield, IL 60015
(847) 948-5500

The full text of the Adopted Amendment begins on the next page:

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

TITLE 23: EDUCATION AND CULTURAL RESOURCES

SUBTITLE A: EDUCATION

CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSION

PART 2755

ROBERT C. BYRD HONORS SCHOLARSHIP PROGRAM

Section 2755.10 Summary and Purpose

2755.20 Definitions

2755.30 Scholar Eligibility

2755.40 Program Procedures

2755.50 Institutional Procedures

APPENDIX A Geographic Districts

AUTHORITY: Implementing Section 65.60 of the Higher Education Student Assistance Act (110 ILCS 347.65.60) and Title IV, Part A, Subpart 6 of the Higher Education Act of 1965, as amended (20 U.S.C. 1703-31 et seq.) and authorized by Section 23(5) of the Higher Education Student Assistance Act (110 ILCS 347.20(5)).

SOURCE: Amended July 1, 1995, effective July 1, 1995; amended at 20 Ill. Reg. 9244, effective JUL 1 1995.

Section 2755.30 Scholar Eligibility

a) A completed application for a Robert C. Byrd Honors Scholarship must be received in ISAC's Deerfield Office on or before January 15 preceding the Academic Year for which the scholarship is being requested.

b) A first-time-in-field-an-application-on-a-time-basis-a "Qualified Applicant" must:

- 1) be a United States Citizen or Eligible Noncitizen; and
- 2) be a Resident of Illinois; and
- 3) become a High School Graduate in the same High School Year in which he submits the scholarship application, and must demonstrate outstanding academic achievement as measured by test scores and high school records; or
- 4) have received a General Educational Development (GED) test score recognized by the General Educational Development Testing Service and be equivalent to ranking in the top five percent of the State's High School Graduates; and
- 5) be an undergraduate student in enrollment on a full-time basis as an undergraduate student in a postsecondary institution that is approved by the U.S. Department of Education to participate in federal student financial assistance programs. (See, e.g., 34 CFR 600.10, 600.20, 668.12.)

c) Applicants will be notified whether they are Qualified Applicants. A

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

non-Qualified Applicant may appeal a finding of ineligibility in accordance with 23 Ill. Adm. Code 2700.70, Appeal procedures.

d) Byrd Scholars must be enrolled on a full-time basis for the first year of study. If after the first year of study, the Byrd Scholar has unusual circumstances, s/he may request a waiver of the full-time enrollment requirement. A waiver form shall be completed by the Scholar, and submitted to ISAC with accompanying documentation. Provided the student continues to be enrolled on at least a half-time basis, the circumstances under which an exception to the full-time enrollment requirement may be granted include:

- 1) the Byrd Scholar's employment hours will not permit additional enrollment;
 - 2) the Byrd Scholar has medical problems that will not permit full-time attendance, as evidenced by the sworn statement of a licensed physician;
 - 3) the Byrd Scholar is in his/her last semester of school and additional course work to complete the degree is not required; or
 - 4) the case of an immediate family member due to illness or incapacitation will not permit an additional course load.
- e) A Byrd Scholar may postpone or interrupt his or her full-time enrollment at an institution for a maximum of 12 months.
- f) A student who receives a scholarship under this Part, and who is subsequently determined to be ineligible, shall repay to ISAC the total amount of the funds received for the period during which s/he was ineligible.

(Source: Amended at 20 Ill. Reg. 9244, effective JUL 1 1995.)

Section 2755.40 Program Procedures

a) Applications for the Robert C. Byrd Scholarship are available for distribution to students from approved high schools in Illinois: offices of district and Regional Superintendents of Education of the State of Illinois; offices of ISAC in Springfield, Chicago and Deerfield.

b) ISAC shall accept applications to be a Robert C. Byrd Honors Scholar in accordance with Section 2755.30 of this Part. Scholar Eligibility. c) If the student section of the application is incomplete, notification shall be sent to the Applicant. The Applicant will then have an opportunity to furnish the missing information. However, the application will only be considered for processing as of the date when the student section is complete and received in ISAC's Deerfield office.

d) From among timely applications, ISAC shall identify Qualified Applicants.

e) ISAC shall select new Byrd Scholars from among the highest scoring Qualified Applicants on the basis of the following criteria:

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

- 1) Academic Data. A Qualified Applicant's score shall be computed as follows: (number in class divided by rank) x .05
 { (number in class divided by rank) x .05 }
 * (Grade point average x Score by State Score)
 A) Grade point average shall be computed as of the end of the first semester of high school study of its equivalent. An Institution shall use the same scale in reporting all of its Applicants.
 B) ACT scores are converted to ACT scores and test scores used in this part shall be converted to the Illinois Standard Test Score as described in Part 2760, State Scholar Program, Section 2760.10 and Appendices A and B.
 C) If both ACT and SAT scores are submitted, the higher score, after conversion to ACT, is used.
 D) For Applicants qualifying by virtue of their GED scores (see Section 2750.30(b)(4) of this part), class rank shall be set at 5 out of 100 (top 5%) and average GED percentile rank shall be used in lieu of grade point average divided by scale.
 E) For those high schools that do not submit class ranks, the Applicants' average shall be computed using number in class and average standardized test scores.
 2) Geographic District. For Robert C. Byrd Honors Scholarships will be allocated to Geographic Districts in accordance with Appendix A of this part. An Applicant's county of residence shall be determined by his or her permanent home address.
 F) Scholarships will be awarded first to renewing Scholars. A Byrd Scholar will continue to be eligible for a scholarship if the postsecondary Institution at which the student is enrolled certifies that the Byrd Scholar is:
 - 1) maintaining enrollment as a full-time full-time Student, except as provided in Section 2750.30(d) of this part;
 - 2) maintaining Satisfactory Academic Progress as determined by the Institution;
 - 3) not in default in any Federal student loan nor owing repayment on any state or Federal student financial aid grant; and
 - 4) not receiving Federal financial aid in excess of the student's Cost of Attendance as determined by the Institution's charges, net of all other financial aid received by the student.
 G) SAT test scores shall be used in accordance with the procedures established for the State Scholar Program (see 23 Ill. Adm. Code 2760.10 and Appendices A and B).
 H) New Byrd Scholars are selected from each of the 15 Geographic Districts, and on an at-large basis, in accordance with the number of awards set forth in Appendix A to this part. The at-large Scholars shall be chosen from among the highest scoring non-selected Qualified Applicants statewide, regardless of their geographic district.

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

- 1) The total number of scholarships awarded in a given fiscal year is contingent upon available funding (see Section 1190 of the Higher Education Act of 1965, as amended (20 U.S.C. 1070d-31), Allocation Among States), notwithstanding the number of new scholarships outlined in Appendix A to this part.
 2) Byrd Scholars will be informed of their selection by the April 1st mailing to the Institution of the "White Scholarship Award" letter.
 K) All letters received with regard to Byrd Scholars will be notified of the Scholars attending their Institution by April 15.
 L) All Qualified Applicants not selected to be Byrd Scholars will be sent letters notifying them that they have not been chosen.
 M) If an individual does not accept the offer of a new scholarship award, the next highest scoring Qualified Applicant not yet selected from the same Geographic District will be chosen to receive a scholarship.
 N) New and renewing Byrd Scholars will complete an "eligibility Certification," which includes annual certification statements required by SO.
 O) ISAC shall send verification/payment rosters to Institutions in which they will certify the students' eligibility to receive the Byrd Scholarships.
 P) Scholarship funds are applicable towards two semesters twice quarters of full-time study within an Academic Year, and shall be sent to the Institution on behalf of the Scholar(s).
 (Source: Amended at 10 Ill. Reg. 92.44 effective JUL 1996)

Section 2755.50 Institutional Procedures

- a) Institutions shall ensure that ISAC receives verification/payment rosters prior to the beginning of the fall term.
- b) Upon receipt of scholarship funds, the Institution(s) shall verify that the Byrd Scholar(s) continues to be enrolled. The Institution may then credit scholarship funds to the recipient's account for expenses then due and payable. The balance of the scholarship funds shall be released to the Scholar. If the Byrd Scholar withdraws from enrollment, the Institution shall return the amount of the scholarship to ISAC for the semester(s) or quarter(s) not attended.
 c) The total amount of the Byrd Scholarship awarded to a Byrd Scholar in any given Academic Year, when added to the other Federal or State financial aid available to the Byrd Scholar for that year, cannot exceed the student's cost of attendance. Student loans should be decreased prior to reducing the amount of the Byrd Scholarship.
 2) The Byrd Scholarship should be decreased prior to reducing the amount of a Federal Pell Grant.
 3) A Monetary Award program (MAP) grant should be decreased prior to reducing the amount of a Byrd Scholarship.

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENTS

- d) Except as provided in Section 2755.10(c) of this Part, a Byrd Scholar may receive \$1500 for each Academic Year, up to a maximum of four years of study.

e) Out-of-state institutions that are eligible to participate in Title IV federal student financial aid programs need not execute a Program Participation Agreement with ISAC to receive funds on behalf of Byrd Scholars.

(Source: Amended at 20 Ill. Reg. _____, effective _____)

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ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENT(S)

- 1) Heading of the Part: State Scholar Program
- 2) Code Citation: 23 Ill. Adm. Code 2760
- 3) Section numbers: Adopted Action:
2760.30 Amended
2760.40 Amended
2760-Appendix A Repealed
2760-Appendix B Repealed
- 4) Statutory Authority: Implementing Section 35 and authorized by Section 20 (c) of the Higher Education Student Assistance Act [10 ILCS 247.15 and 20(c)].
- 5) Effective Date of Rule(s) Amendments: July 1, 1996
- 6) Does this rulemaking contain an automatic repeal date? No
- 7) Does this amendment contain incorporations by reference? No
- 8) Date Filed in Agency's Principal Office: June 13, 1996
- 9) Notice(s) of Proposal Published in Illinois Register: February 2, 1996, 20 Ill. Reg. 1305
- 10) Has JCAR issued a Statement of Objections to these rule(s)? No
- 11) Difference(s) between proposed and final version: None
- 12) Have all the changes agreed upon by the agency and JCAR been made as indicated in the statement letter issued by JCAR? Yes
- 13) Will these amendments replace an emergency rule currently in effect? No
- 14) Are there any amendments pending on this Part? No
- 15) Summary and Purpose of Amendments: ISAC annually reviews its rules in order to respond to market changes and client suggestions. To implement State and federal statutory amendments, and to clarify issues that have arisen during the previous year, in addition to making minor technical and grammatical changes throughout this Part, ISAC adopted the following substantive amendments: The provisions describing the term in which a student must take the required tests have been modified in Section 2760.30(a). By referencing the number of terms prior to graduation when the test may be taken, this Section now fits a wider variety of circumstances more clearly, including students who graduate early, and those who have a lesser number of high school terms due to having attended a middle school. Section 2760.30(d) provides more specific language

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENT(S)

regarding the required activities of a high school in calculating and providing ISAC with class ranks. Section 2760.10(e) has been amended substantially to update the manner in which the Illinois Standard Test Score is computed. Last year, due to a re-centering of the SAT tests, no direct equivalent was provided between an ACT score and an SAT I score. During that one transitional year, it was necessary to first convert a new SAT I score to an original SAT score before determining its ACT equivalent. Information allowing for the direct conversion of an SAT I score to its ACT equivalent has now been provided by the testing services, so a new, updated table has been included for that purpose in Section 2760.10(e)(2), and all references to the temporary conversion used last year have been deleted. Also, the temporary intermediate conversion no longer contained appended "B" has been replaced, since they are no longer necessary, and finally, the section now outlines the response to client inquiries that subsection now outlines the eligibility requirements for private high schools that wish to nominate students for consideration as State Scholars.

- 16) Information and questions regarding these adopted rules amendments shall be directed to:

Ms. Raquel G. Martinez
Compliance Counsel
Illinois Student Assistance Commission
1755 Lake Cook Road
Deerfield, IL 60015
(847) 448-8500

The full text of the adopted rules amendments begin on the next page:

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENT(S)

TITLE 23: EDUCATION AND CULTURAL RESOURCES

SUBTITLE A: EDUCATIONAL ASSISTANCE

CHAPTER XIX: ILLINOIS STUDENT ASSISTANCE COMMISSION

PART 2760

STATE SCHOLAR PROGRAM

Section

2760.5 Summary and Purpose

2760.10 Selection Criteria

2760.30 Testing and Class Ranking of Students to be Considered for Program

2760.40 Other Information

APPENDIX A SAT Verbal Equivalence Table (Repealed)

APPENDIX B SAT Mathematical Equivalence Table (Repealed)

AUTHORITY: Implementing Section 25 and authorized by Section 20(c) of the Higher Education Student Assistance Act (110 ILCS 940.25 and 940(c)).

SOURCE: Adopted at 3 ill. Reg. 4, p. 39, effective January 26, 1979, amended at 4 ill. Reg. 16, p. 19, effective April 1, 1980, rules repealed, new rules adopted at 5 ill. Reg. 7531, effective June 25, 1981, amended at 6 ill. Reg. 8413, effective June 30, 1982, codified at 7 ill. Reg. 10378, amended at 8 ill. Reg. 10377, effective January 1, 1986, amended at 9 ill. Reg. 3349, effective January 29, 1987, amended at 10 ill. Reg. 4117, effective August 30, 1987, amended at 11 ill. Reg. 3654, effective July 1, 1989, transferred from Chapter IX, 23 ill. Adm. Code 1760 (State Scholarship Commission) to Chapter XIX, 23 ill. Adm. Code 2760 (Illinois Student Assistance Commission) pursuant to P.A. 86-168, effective July 1, 1989, at 13 ill. Reg. 17868, amended at 14 ill. Reg. 10589, effective July 1, 1990, amended at 16 ill. Reg. 11321, effective July 1, 1992, amended at 17 ill. Reg. 10624, effective July 1, 1993, amended at 18 ill. Reg. 10186, effective July 1, 1994, amended at 19 ~~ill. Reg. 9291~~ 2195, effective July 1, 1995, amended at 20 ill. Reg. ~~9291~~ 2195, effective July 1, 1996.

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Section 2760.30 Testing and Class Ranking of Students to be Considered for Program

- a) To be considered for the State Scholar Program, a student must take either the American College Testing (ACT) Assessment or the College Board's SAT I: Reasoning Test, during the third or fourth year of high school, or during the first or second semester prior to graduation from high school, for a student attending high school for the traditional eight semesters. The exam must be taken during the fifth or sixth semester. Students planning to graduate from high school in either the traditional or third-year graduation program must take the exam in the traditional or third-year graduation program. Students planning to graduate from high school in the third or fourth semester must take the exam in the third or fourth semester.

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENT(S)

- 1) A student may take either or both examinations during the designated period.
- 2) All scores from such tests taken during the designated period must be submitted to ISAC.
- 3) If a student submits scores from any two examinations taken during the designated period, ISAC will use the higher of the two scores.
- 4) If the student submits scores from more than two examinations taken during the designated period, ISAC will disregard the lowest score and use the average of the remaining scores.
- 5) If a student submits scores to ISAC, the student must report such scores to the testing service.
- 6) ISAC will accept supplementary or alternate tests taken during the designated period upon the student's request to the testing service. Such authorization by the student must be received by ISAC before August 1.
- 7) Students who, for any reason, are unable to take a test on a regular testing date should make special arrangements to be tested in accordance with the procedures of the testing service. Any such special arrangements must take into account the test score submission deadline in subsections (a) and (b) of this section.
- 8) In order for its students to be considered for the State Scholar Program, a high school senior must matriculate and provide to ISAC the sixth semester class ranks of students who desire to be considered for the State Scholar Program.
- 9) Class ranks are to be calculated so that the class rank for the lowest grade point average (GPA) equals the total number of students being ranked.

Example: Class Rank GPA

1	94.3
2	94.3
3	94.3
4	94.3
5	94.3
6	94.3
7	94.3

- 2) The equivalent term rank shall be provided for students planning to graduate in other than the traditional four years (see 250.00(a)).
- 3) Test scores submitted in accordance with this part shall be converted to a student's Standard Test Score as follows:
 - 1) Test Score = $\frac{\text{Student's Raw Score} - \text{Raw Score of Class Rank}}{\text{Raw Score of Class Rank} - \text{Raw Score of Class Rank}}$
 - 2) Effective with all SAT tests administered as of April 1997,

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENT(S)

reconverted SAT I verbal and math scores shall be converted to original SAT scores using the following formula: $\text{Original SAT Score} = \frac{\text{Reconverted SAT Score} - \text{Reconverted SAT Score}}{\text{Reconverted SAT Score} - \text{Reconverted SAT Score}}$

Illinois Standard Test Score Table

Illinois Standard Test Score	SAT I Verbal + Math + M	ACT Composite
36	1500 to 1600	36
35	1450 to 1500	35
34	1400 to 1450	34
33	1350 to 1400	33
32	1300 to 1350	32
31	1250 to 1300	31
30	1200 to 1250	30
29	1150 to 1200	29
28	1100 to 1150	28
27	1050 to 1100	27
26	1000 to 1050	26
25	950 to 1000	25
24	900 to 950	24
23	850 to 900	23
22	800 to 850	22
21	750 to 800	21
20	700 to 750	20
19	650 to 700	19
18	600 to 650	18
17	550 to 600	17
16	500 to 550	16
15	450 to 500	15
14	400 to 450	14
13	350 to 400	13
12	300 to 350	12
11	250 to 300	11
10	200 to 250	10
9	150 to 200	9
8	100 to 150	8

- f) High School class ranks submitted in accordance with this part shall be converted to an Illinois Standard Rank Score as follows:
 - 1) First, determine the percentile of the class rank for each student in accordance with the following formula:

$$\text{Percentile} = \frac{\text{Size of Class MINUS (Rank in Class minus .5)}}{\text{Size of Class}}$$
 - 2) Then, use table below to convert a percentile class rank to the

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENT(S)

Illinois Standard Rank Score.

Percentile

99.75 - 99.99	30
99.54 - 99.74	29
99.19 - 99.53	28
98.62 - 99.18	27
97.73 - 98.61	26
96.42 - 97.72	25
94.63 - 96.41	24
91.93 - 94.62	23
88.40 - 91.92	22
84.14 - 88.39	21
78.52 - 84.13	20
72.58 - 78.51	19
65.55 - 72.57	18
57.54 - 65.54	17
50.00 - 57.53	16

- g) An Illinois Weighted Selection Score for each student shall be computed by multiplying the Illinois Standard Test Score by two, and adding that result to the Illinois Standard Rank Score.

- h) In any Academic Year, the number of State Scholars is approximately equal to ten percent of the estimated total number of Illinois high school graduates. ISAC annually establishes a minimum Weighted Selection Score to yield this result.

- i) Notwithstanding the previous provisions in this section, any student nominated by his or her school shall be designated a State Scholar if that student achieves a score at or above the 95th percentile on the American College Testing (ACT) standardized assessment examination, or the equivalent thereof on a comparable examination, regardless of that student's class rank.

(Source: Amended at 20 Ill. Reg. 9251 III, effective JUL 1 1996)

Section 2760.40 Other Information

- a) High school senior officials or student candidates shall have a period of 60 days following the announcement of the State Scholars to appeal a student's status. (See: 23 Ill. Adm. Code 2700.70, Appeal Procedures.)
- b) A Certificate of Achievement and congratulatory letter are issued for each State Scholar.
- c) A listing of State Scholars shall be available upon request to colleges, members of the General Assembly, and to the media.
- d) If an appeal concerning an Applicant's eligibility is received, ISAC

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENT(S)

shall request the high school to verify the reported data. If the conflict remains, ISAC shall conduct an audit of the high school's records in accordance with 23 Ill. Adm. Code 2700.60.

- e) Mailing labels of State Scholars' names shall be available, at cost, to Illinois colleges and associations of Illinois colleges. Payment must be received by ISAC at the time the mailing labels are ordered. Requestors of labels shall provide written assurance to ISAC that the labels will not be resold or released to others in any manner.

- f) In order for a student to be considered eligible for designation as a State Scholar, the student must attend an approved high school. An approved private high school is any high school located in Illinois which, in the judgment of the State Superintendent of Education, provides a course of instruction at the secondary level and maintains standards of instruction substantially equivalent to those of public high schools located in Illinois. The State Superintendent's approval is demonstrated through a Certificate of Secondary School Recognition issued by the Illinois State Board of Education (ISBE).

(Source: Amended at 20 Ill. Reg. 9251 II, effective JUL 1 1996)

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENT(S)

Section 2760 APPENDIX A SAT Verbal Equivalence Table (Repealed)

centered-Scale-to-Original-Scale

802	249	509	449
799	250	508	448
796	251	507	447
793	252	506	446
790	253	505	445
787	254	504	444
784	255	503	443
781	256	502	442
778	257	501	441
775	258	500	440
772	259	499	439
769	260	498	438
766	261	497	437
763	262	496	436
760	263	495	435
757	264	494	434
754	265	493	433
751	266	492	432
748	267	491	431
745	268	490	430
742	269	489	429
739	270	488	428
736	271	487	427
733	272	486	426
730	273	485	425
727	274	484	424
724	275	483	423
721	276	482	422
718	277	481	421
715	278	480	420
712	279	479	419
709	280	478	418
706	281	477	417
703	282	476	416
700	283	475	415
697	284	474	414
694	285	473	413
691	286	472	412
688	287	471	411
685	288	470	410
682	289	469	409
679	290	468	408
676	291	467	407
673	292	466	406
670	293	465	405
667	294	464	404
664	295	463	403
661	296	462	402
658	297	461	401
655	298	460	400
652	299	459	399
649	300	458	398
646	301	457	397
643	302	456	396
640	303	455	395
637	304	454	394
634	305	453	393
631	306	452	392
628	307	451	391
625	308	450	390
622	309	449	389
619	310	448	388
616	311	447	387
613	312	446	386
610	313	445	385
607	314	444	384
604	315	443	383
601	316	442	382
598	317	441	381
595	318	440	380
592	319	439	379
589	320	438	378
586	321	437	377
583	322	436	376
580	323	435	375
577	324	434	374
574	325	433	373
571	326	432	372
568	327	431	371
565	328	430	370
562	329	429	369
559	330	428	368
556	331	427	367
553	332	426	366
550	333	425	365
547	334	424	364
544	335	423	363
541	336	422	362
538	337	421	361
535	338	420	360
532	339	419	359
529	340	418	358
526	341	417	357
523	342	416	356
520	343	415	355
517	344	414	354
514	345	413	353
511	346	412	352
508	347	411	351
505	348	410	350
502	349	409	349
499	350	408	348
496	351	407	347
493	352	406	346
490	353	405	345
487	354	404	344
484	355	403	343
481	356	402	342
478	357	401	341
475	358	400	340
472	359	399	339
469	360	398	338
466	361	397	337
463	362	396	336
460	363	395	335
457	364	394	334
454	365	393	333
451	366	392	332
448	367	391	331
445	368	390	330
442	369	389	329
439	370	388	328
436	371	387	327
433	372	386	326
430	373	385	325
427	374	384	324
424	375	383	323
421	376	382	322
418	377	381	321
415	378	380	320
412	379	379	319
409	380	378	318
406	381	377	317
403	382	376	316
400	383	375	315
397	384	374	314
394	385	373	313
391	386	372	312
388	387	371	311
385	388	370	310
382	389	369	309
379	390	368	308
376	391	367	307
373	392	366	306
370	393	365	305
367	394	364	304
364	395	363	303
361	396	362	302
358	397	361	301
355	398	360	300
352	399	359	299
349	400	358	298
346	401	357	297
343	402	356	296
340	403	355	295
337	404	354	294
334	405	353	293
331	406	352	292
328	407	351	291
325	408	350	290
322	409	349	289
319	410	348	288
316	411	347	287
313	412	346	286
310	413	345	285
307	414	344	284
304	415	343	283
301	416	342	282
298	417	341	281
295	418	340	280
292	419	339	279
289	420	338	278
286	421	337	277
283	422	336	276
280	423	335	275
277	424	334	274
274	425	333	273
271	426	332	272
268	427	331	271
265	428	330	270
262	429	329	269
259	430	328	268
256	431	327	267
253	432	326	266
250	433	325	265
247	434	324	264
244	435	323	263
241	436	322	262
238	437	321	261
235	438	320	260
232	439	319	259
229	440	318	258
226	441	317	257
223	442	316	256
220	443	315	255
217	444	314	254
214	445	313	253
211	446	312	252
208	447	311	251
205	448	310	250
202	449	309	249
199	450	308	248
196	451	307	247
193	452	306	246
190	453	305	245
187	454	304	244
184	455	303	243
181	456	302	242
178	457	301	241
175	458	300	240
172	459	299	239
169	460	298	238
166	461	297	237
163	462	296	236
160	463	295	235
157	464	294	234
154	465	293	233
151	466	292	232
148	467	291	231
145	468	290	230
142	469	289	229
139	470	288	228
136	471	287	227
133	472	286	226
130	473	285	225
127	474	284	224
124	475	283	223
121	476	282	222
118	477	281	221
115	478	280	220
112	479	279	219
109	480	278	218
106	481	277	217
103	482	276	216
100	483	275	215
97	484	274	214
94	485	273	213
91	486	272	212
88	487	271	211
85	488	270	210
82	489	269	209
79	490	268	208
76	491	267	207
73	492	266	206
70	493	265	205
67	494	264	204
64	495	263	203
61	496	262	202
58	497	261	201
55	498	260	200
52	499	259	199
49	500	258	198
46	501	257	197
43	502	256	196
40	503	255	195
37	504	254	194
34	505	253	193
31	506	252	192
28	507	251	191
25	508	250	190
22	509	249	189
19	510	248	188
16	511	247	187
13	512	246	186
10	513	245	185
7	514	244	184
4	515	243	183
1	516	242	182
	517	241	181
	518	240	180
	519	239	179
	520	238	178
	521	237	177
	522	236	176
	523	235	175
	524	234	174
	525	233	173
	526	232	172
	527	231	171
	528	230	170
	529	229	169
	530	228	168
	531	227	167
	532	226	166
	533	225	165
	534	224	164
	535	223	163
	536	222	162
	537	221	161
	538	220	160
	539	219	159
	540	218	158
	541	217	157
	542	216	156
	543	215	155
	544	214	154
	545	213	153
	546	212	152
	547	211	151
	548	210	150
	549	209	149
	550	208	148
	551	207	147
	552	206	146
	553	205	145
	554	204	144
	555	203	143
	556	202	142
	557	201	141
	558	200	140
	559	199	139
	560	198	138
	561	197	137
	562	196	136
	563	195	135
	564	194	134
	565	193	133
	566	192	132
	567	191	131
	568	190	130
	569	189	129
	570	188	128
	571	187	127
	572	186	126
	573	185	125
	574	184	124
	575	183	123
	576	182	122
	577	181	121
	578	180	120
	579	179	119
	580	178	118
	581	177	117
	582	176	116
	583	175	115
	584	174	114
	585	173	113
	586	172	112
	587	171	111
	588	170	110
	589	169	109
	590	168	108
	591	167	107
	592	166	106
	593	165	105
	594	1	

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENT(S)

- 1) Heading of the Part: Student to Student (STS) Program of Matching Grants
- 2) Code Citation: 23 Ill. Adm. Code 2770
- 3) Section numbers: Adopted Action:
 2770.20 Amended
 2770.30 Amended

- 4) Statutory Authority: Implementing Section 65 and authorized by the Section 20(f) of the Higher Education Student Assistant Act [110 ILCS 947.65 and 20(f)].

- 5) Effective Date of Rules/Amendments: July 1, 1996

- 6) Does this rule/amendment contain an automatic repeal date? No.

- 7) Does this amendment contain incorporations by reference? No.

- 8) Date Filed in Agency's Printing Office: June 10, 1996

- 9) Notice(s) of Proposal Published in Illinois Register: February 2, 1996, 20 Ill. Reg. 334

- 10) Has ICAR issued a Statement of Objections to these rule(s)? No.

- 11) Difference(s) between proposed and final version: A number of minor, technical changes were made in response to comments from the public and suggestions made by ICAR staff. Additionally, as a result of public comment, ISAC changed the proposed amendment to Section 2770.30(p). The revised amendment requires schools to expend matching funds by the end of the academic year following the year in which the funds are requested, rather than within the same academic year in which the funds are received.

- 12) Have all the changes agreed upon by the agency and ICAR been made as indicated in the agreement letter issued by ICAR? Yes.

- 13) Will these amendments replace an emergency rule currently in effect? No.

- 14) Are there any amendments pending in this Part? No.

- 15) Summary and purpose of amendments: ISAC annually reviews its rules in order to respond to market changes and client suggestions, to implement State and Federal statutory amendments, and to clarify issues that have arisen during the previous year. In addition to making minor technical and grammatical changes throughout this Part, ISAC adopted the following

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENT(S)

substantive amendments: The definition of "college or university" has been modified in Section 2770.20 to reflect the dissolution of the Board of Governors and the Board of Regents by Public Act 89-0084. All institutions previously governed by these boards are now individually named. Section 2770.30(p) has been added to require that an institution expend its matching funds by the end of the academic year following the year in which the funds are requested. And, Section 2770.30(g) has been added to require that matching funds awarded under this Part be requested in the same year in which the student contribution is obtained.

- 16) Information and questions regarding these adopted rules amendments shall be directed to:

Mr. Zaguel G. Martinez
 Compliance Counsel
 Illinois Student Assistance Commission
 1755 Lake Cook Road
 Deerfield, IL 60015
 (312) 248-8500

The full text of the adopted rules amendments begin on the next page.

ILLINOIS STUDENT ASSISTANCE COMMISSION

NOTICE OF ADOPTED AMENDMENT(S)

- Contributions by enrolled students.
- 1) A supplementary claim can be filed after a filing date for the purpose of adjusting a regular claim filed earlier.
 - m) A pro-rata distribution, if any, will be determined in accordance with general Commission action.
 - n) After SAC has reviewed a claim and computed the pro-rata, ISAC shall process the necessary voucher for a check payable to the College or University for the awards.
 - o) Each participating College or University shall submit to ISAC an annual report, no later than August 15, following the award year, of the activities, operations, and results of its SIS grant program. SAC shall forward a copy of such report to the Illinois Board of Higher Education.
 - p) Matching funds must be expended by the end of the Academic Year following the year in which the funds are requested.
 - q) Matching funds must be requested in the same Academic Year in which the corresponding contribution is obtained.

(Source: Amended 1996 20 Ill. Reg. 9260 effective

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

NOTICE OF EMERGENCY AMENDMENTS

- 1) Heading of the Part: Rate Setting
 - 2) Code Citation: 89 Ill. Adm. Code 356
 - 3) Section Numbers: Emergency Action:
356.3 Amend
 - 4) Statutory Authority: Section 5a of the Children and Family Services Act (20 ILCS 905/5a)
 - 5) Effective Date of Amendments: July 1, 1996
 - 6) If this emergency rule is to expire before the end of the 150-day period, please specify the date in which it is to expire: Not applicable
 - 7) Date Filed in Agency's Principal Office: July 1, 1996
 - 8) Reason for Emergency: 89 ILCS is the appropriation bill for the Department of Children and Family Services for State Fiscal Year 1997. SB 1260 provides for a 1% cost of living adjustment for providers which provides services to the State of Illinois. The Department of Children and Family Services is one of several agencies which is modifying its established rate setting methodology to provide the 1% cost of living adjustment enacted by the General Assembly for fiscal year 1997.
 - 9) A Complete Description of the Subjects and Issues Involved: The Department of Children and Family Services will be providing a three per cent cost of living adjustment. This cost of living adjustment is effective for the period from July 1, 1996 through June 30, 1997 (State Fiscal Year 1997) and will modify the Department's regular methodology for providing periodic rate adjustments for residential care providers.
- This cost of living rate adjustment does not preclude the possibility for rate adjustments based upon changes in program services.
- 10) Are there any proposed amendments to this Part pending? No
 - 11) Statement of Statewide Policy Objectives: These rules do not create or amend any state mandate as defined in Section 3(b) of the State Mandates Act (30 ILCS 305/3(b)).
 - 12) Information and Questions regarding these emergency amendments shall be directed to:

Jacqueline Nottingham, Chief
Office of Rules and Procedures
Department of Children and Family Services
406 E. Monroe Street, Station 422

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

NOTICE OF EMERGENCY AMENDMENTS

Springfield, Illinois 62701
 Telephone: (217) 244-3983
 TTY: (217) 244-3915

The full text of the emergency rules begins on its next page.

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

NOTICE OF EMERGENCY AMENDMENTS

TITLE 89: SOCIAL SERVICES
 CHAPTER III: DEPARTMENT OF CHILDREN AND FAMILY SERVICES
 SUBCHAPTER C: FISCAL ADMINISTRATION

PART 356
 RATE SETTING

Section

- 356.1 Purpose
- 356.2 Definitions
- 356.3 Types of Reimbursement Made by the Department
- 356.4 Cost Information Requirements of Providers
- 356.5 Determining Rate Reimbursement Levels
- EMERGENCY
- 356.6 Disallowable Costs and Reduced Reimbursement
- 356.7 Notice and Appeal of Provider Rates

AUTHORITY: Implementing and authorized by the Children and Family Services Act (20 ILCS 5051)

SOURCE: Adopted at 5 Ill. Reg. 324, effective December 23, 1981; amended at 6 Ill. Reg. 11851, effective September 30, 1982; amended at 10 Ill. Reg. 11412, effective July 1, 1986; amended at 11 Ill. Reg. 675, effective January 2, 1987; amended at 11 Ill. Reg. 7255, effective April 15, 1987; amended at 16 Ill. Reg. 1026, effective July 8, 1991; emergency amendment at 20 Ill. Reg. 926, effective July 1, 1995, for a maximum of 30 days.

Section 356.5 Determining Rate Reimbursement Levels

EMERGENCY

This Section applies to those situations where the Department promulgates standard or individual rates identified in Section 356.1(b)(7), and

- a) Forms - Financial reporting forms shall be used in establishing rates of reimbursement, regardless of the type of service provided.
- b) For-Profit Agencies - Contracts with for-profit agencies must clearly identify any profit factor which must directly correspond to units of services provided. Profit will be categorized as an administrative cost and will be limited to nine percent of the total contract amount. Profit will also be included in calculating the overall administrative cost standard.
- c) Reasonable Cost Standards - Reasonable cost standards shall be applied to certain categories of costs except that program and transportation costs may be exempted if warranted by the special needs of the client. The reasonable cost standards establish reimbursement ceilings for categories of costs. The standards are derived from the actual costs of all agencies providing similar services. Prime benefits above 25 percent of total costs shall not be reimbursed by the Department. Administrative costs may not exceed 10 percent of the

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

NOTICE OF EMERGENCY AMENDMENTS

NOTICE OF EMERGENCY AMENDMENTS

costs for other services. Reimbursement may exceed the reasonable cost standards if a higher rate is negotiated as a result of a rate appeal that clearly demonstrates that costs in excess of the standard(s) are the result of a necessary level of resources purchased in a prudent manner. However, administrative costs may not exceed 20 percent of the costs of other services.

- d) Revenues to be Offset - Revenues to be offset shall include grants, other non-purchase-of-service revenue from other governmental agencies, revenues from the school lunch program, and revenues from local education agencies. All revenues to be offset shall be reported to the Department. The Department will be considered a part of the resources available to the provider in determining reasonable costs. The Department will not reimburse a provider for the proportion of services or administrative charges that have been paid, wholly, or in part, by such revenues.

- e) Units of Service and Provider Capacity - Reimbursement rates shall be determined on the basis of actual units of service provided or the median utilization for all agencies providing similar services, whichever is greater. However, significant deviations from the utilization level may be used in rate-setting if unusual circumstances beyond the control of the provider directly caused a significant change in occupancy rates.

- f) Specific Provisions for Calculating Individual Rate Reimbursement including Child Care Institutions, Group Homes, Maternity Centers, and Shelter Programs - For State Fiscal Year 1977 (from July 1, 1976 through June 30, 1977) all child care institutions, group homes, Maternity centers and Shelter Programs contracting with the Department of Children and Family Services will receive a 10 percent increase in reimbursement rates. This rate adjustment shall be effective as of June 10, 1976. This rate adjustment for State Fiscal Year 1977 applies regardless of the provisions of this Part.

- 1) The Department will conduct a joint rate calculation with the Illinois Department of Mental Health and Developmental Disabilities.
- 2) Reimbursement rates shall be determined on the basis of actual units of service provided, or the median utilization level for all similar providers, whichever is greater. The maximum utilization level that will be used to determine reimbursement rates shall be 98 percent of licensed or approved program capacity. For the purpose of establishing the median utilization level, residential programs will be grouped into two categories:
 - A) Child care institutions and group homes; and
 - B) Maternity homes and approved Shelter programs.
- 3) The reasonable cost standards for support and ownership costs shall not be used to determine reimbursement rates for providers. Providers shall be deemed disabling, and subject to an adjusted cost standard if one or more of the following conditions has occurred on or after July 1, 1983:

- A) the provider has built an entirely new building used directly by clients of the program,
- B) the provider has renovated a building used directly by program clients and the annual depreciation and/or interest costs are \$20,000 or more, or
- C) the provider has entered a first-time lease for a building used directly by program clients.

- 3) These costs shall be demonstrated by an annual audit cost report and accompanying notes as prescribed by 89 Ill. Adm. Code 434 (Audits, Reviews, and Investigations). The reasonable cost standards shall include a geographic differential factor to reflect the differences in costs due to geographic location when the cost of services is determined by measurement of distance of such differential. The differential factor shall be determined by statistical reports and the application of generally accepted statistical procedures to these costs. Any geographic differential factor which results from these tests is included in the Department's rate notices sent to providers.

- 3.14) Historical costs, except depreciation, interest and amortization of allowable prepaying expenses shall be increased by an inflation adjustment factor to reflect the increases in costs caused by general inflation. The maximum increase in a facility's reimbursement rate shall be 150 percent of a percentage limitation factor for the most current year. The inflation adjustment factor shall be applied to the most recent rate unless that rate declined due to a combination of both reduced utilization and reduced costs. In such case, the next most recent rate shall be used to determine the allowable maximum increase. This limitation will not be applied to cost increases mandated by regulatory agencies or program changes approved by the Department.

- 3.15) The Department's historical costs shall have a rate set via a process which begins with completion of a projected historical cost budget in the same format used to set historical cost rates. The Regional Office developing the contract shall negotiate costs based on a comparison of the budget with levels of staffing generally needed for similar programs with prevailing wage rates and with levels of supply, turnover, support and other costs common to similar programs. The Office of Contracts and Grants shall review the results and shall engage in further negotiations when an examination of submitted data determines an anomaly or disparity in the data in comparison to other data submitted by other providers. A new start rate shall then be set using the reasonable cost standards applying to the particular program under the terms of this Part with the exception to allow for the phase-in placement of clients, the divisor applied to costs will be the greater of:
- A) the number five percentage points lower than the median

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

NOTICE OF EMERGENCY AMENDMENTS

utilization level applying to ongoing programs of the same type; or

B) the projected utilization agreed to by the Department and the provider.

g) Special Provisions for Calculation of Standard Rate Reimbursement Levels for Day Care Centers

1) Reimbursement rates will be calculated from the costs and utilization information presented in the independent audits. Only reported costs of facilities under contract with the Department will be considered for calculating reimbursement rates.

2) The Department will calculate standard reimbursement rates for all similar facilities. The facilities will be separated into geographic groupings that reflect the differences in costs due to geographic location. A standard reimbursement rate will be calculated for each geographic grouping.

3) A portion of the fair market value of donated goods and services will be considered for the calculating of standard reimbursement rates for day care centers. The Department will determine the inclusion of inclusion of donated goods and services as stated in Section 356.6, Disallowable Costs and Reduced Reimbursement.

4) The divisor applied to costs in order to calculate rates shall be the greater of 95 percent of the licensed or approved program capacity or actual units of service.

5) The Department may make adjustments to reported wage and salary levels if it determines that they are insufficient to attract capable caregivers in sufficient numbers.

h) Special Provisions for Calculation of Standard Rate Reimbursement for Non-Center Based Day Care Programs

1) Reimbursement rates will be calculated from the results of separate market surveys completed on licensed non-center based day care programs and on those not required to be licensed. For licensed non-center based programs, the market survey will be conducted using a statistically valid random statewide sample of all such programs. For non-center based programs not required to be licensed, the statistically valid random sample will include an equal number of providers who accept State funds and those listed with the Statewide Child Care Resource and Referral network but not listed by the State.

2) The Department will calculate separate reimbursement rates for licensed non-center based day care programs not required to be licensed. The non-center based day care programs will be separated into geographic groupings that reflect the differences in costs due to geographic location. Standard reimbursement rates will be calculated for each geographic grouping for licensed non-center based programs and for those not required to be licensed.

(Source: Emergency amendment at 20 Ill. Reg. _____, effective July 9265

DEPARTMENT OF CHILDREN AND FAMILY SERVICES

NOTICE OF EMERGENCY AMENDMENTS

L, 1996, for a maximum of 150 days)

DEPARTMENT OF PUBLIC AID
NOTICE OF EMERGENCY AMENDMENTS

- 1) Heading of the Part: Hospital Reimbursement Changes
- 2) Code Citation: 89 Ill. Adm. Code 152
- 3) Section Numbers:
152.150
Amendment
152.200
Amendment
152.250
Amendment
- 4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code (305 ICS 9/12-13)
- 5) Effective Date of Amendments: July 1, 1996
- 6) If these Emergency Amendments are to expire before the end of the 150-day period, please specify the date on which it is to expire: Not Applicable
- 7) Date Filed in Agency's Principal Office: July 1, 1996

8) Reason for Emergency: These emergency amendments are being filed pursuant to the Governor's fiscal year 1997 budget plan and the enactment of the State's budget by the legislature. Emergency rulemaking is specifically authorized for the implementation of the State's budget initiatives for fiscal year 1997, by Public Act 89-499.

9) Complete Description of the Subjects and Issues Involved: These emergency amendments are necessary to implement the State's fiscal year 1997 budget plan. The Department will continue to reimburse hospitals for inpatient and outpatient services rendered through June 30, 1997, according to the reimbursement levels calculated for each hospital that were in effect on July 1, 1995.

Additionally, the Department is making substantive revisions to the rate appeal process found in Section 152.250. The hospital rate appeal process was designed to ensure the financial integrity of hospitals committed to serving the Medicaid population. Despite this process, two hospitals that qualified for, and received hardship appeal payments, closed in fiscal year 1996. The proposed changes are intended to make the rate appeal process more responsive by creating the potential for more hospitals to be deemed critical to the Medicaid program (under the program known as CHAP (Critical Hospital Adjustment Payments)) to maintain participation in the Program.

It is anticipated that the continuance of fiscal year 1996 hospital rates will neither increase nor decrease annual aggregate expenditures in fiscal year 1997.

- 10) Are there any Proposed Amendments pending to this Part? No

DEPARTMENT OF PUBLIC AID
NOTICE OF EMERGENCY AMENDMENTS

- 11) Statement of Statewide Policy Objectives: These emergency amendments do not affect units of local government.
- 12) Information and questions regarding these Emergency Amendments shall be directed to:

Joanne Jones
Bureau of Rules and Regulations
Illinois Department of Public Aid
100 South Grand Avenue East, Third floor
Springfield, IL 62762
(217) 524-0081

The full text of the Emergency Amendments begins on the next page:

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

TITLE 89, SOCIAL SERVICES
CHAPTER 11, DEPARTMENT OF PUBLIC AID
SUBCHAPTER e: GENERAL TIME-LIMITED CHANGESPART 132
HOSPITAL REIMBURSEMENT CHANGES

Section

132.100 Reimbursement Add-on Adjustments (Repealed)

132.150 Diagnosis Related Grouping (DRG) Prospective System (PPS)

EMERGENCY

132.200 Non-DRG Reimbursement Methodologies

EMERGENCY

132.250 Appeals

EMERGENCY

AUTHORITY: Implementing and authorized by Articles III, IV, V and VI and Section 13-13 of the Illinois Public Aid Code [305 ILCS 5/Arts. III, IV, V and VI, and 13-13] and implementing Article III of the Illinois Health Finance Reform Act [20 ILCS 2315/Art. III].

SOURCE: Emergency rules adopted at 18 Ill. Reg. 2150, effective January 18, 1994, for maximum of 150 days; adopted at 18 Ill. Reg. 10141, effective June 17, 1994; emergency amendment at 19 Ill. Reg. 6706, effective May 12, 1995, for a maximum of 150 days; emergency amendment at 19 Ill. Reg. 10236, effective June 30, 1995, for a maximum of 150 days; amended at 19 Ill. Reg. 6272, effective November 27, 1995; emergency amendment at 20 Ill. Reg. 9272, effective July 1, 1996, for a maximum of 150 days.

Section 132.150 Diagnosis Related Grouping (DRG) Prospective Payment System (PPS)

EMERGENCY

- a) Notwithstanding any provisions set forth in 89 Ill. Adm. Code 149, the changes described in this Section will be effective January 18, 1994.
- b) For those rates established under 89 Ill. Adm. Code 149.25(g)(2)(B), the DRG weighting factors shall be adjusted by a factor, the numerator of which is the statewide weighted average DRG base payment rate in effect for the base period, as described in 89 Ill. Adm. Code 149.25(g)(2)(A), and the denominator of which is the statewide weighted average DRG base payment rate for the rate period, as described in 89 Ill. Adm. Code 149.25(g)(2)(B). For this adjustment, DRG base payment rate means the product of the PPS base rate, as described in 89 Ill. Adm. Code 149.100(c)(3), and the indirect medical education factor, as described in 89 Ill. Adm. Code 149.150(c)(13).

- c) All payments calculated under 89 Ill. Adm. Code 149.140 and 149.150(c)(1), (c)(2) and (c)(4), in effect on January 18, 1994, shall

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

- d) remain in effect until June 30, 1997 1996.
- d) For hospital inpatient services rendered on or after July 1, 1995, and prior to July 1, 1997 1996, the Department shall reimburse hospitals using relative weighting factors and the base payment rates established under the methodology described in this Section, that were in effect June 30, 1995. For those portion of the payment rates attributed by the Department to the cost of medical education, this Section shall be automatically repealed effective June 30, 1997 1996.

(Source: Emergency amendment at 20 Ill. Reg. 9272, effective July 1, 1996, for a maximum of 150 days)

Section 132.200 Non-DRG Reimbursement Methodologies

EMERGENCY

- a) Notwithstanding any provisions set forth in 89 Ill. Adm. Code 148, the changes described in this Section will be effective January 18, 1994.
- b) All per diem payments calculated under 89 Ill. Adm. Code 148, except for those described in 89 Ill. Adm. Code 148.120, 148.160, 148.170, 148.175 and 148.230(a), (c) and (d), in effect on January 18, 1994, shall be adjusted by a factor, the numerator of which is the statewide weighted average DRG base payment rate in effect for the base period, as described in 89 Ill. Adm. Code 149.25(g)(2)(A), and the denominator of which is the statewide weighted average DRG base payment rate for the rate period, as described in 89 Ill. Adm. Code 149.25(g)(2)(B). For this adjustment, DRG base payment rate means the product of the PPS base rate, as described in 89 Ill. Adm. Code 149.100(c)(3), and the indirect medical education factor, as described in 89 Ill. Adm. Code 149.150(c)(13).
- c) This Section shall be automatically repealed effective June 30, 1997 1996.

(Source: Emergency amendment at 20 Ill. Reg. 9272, effective July 1, 1996, for a maximum of 150 days)

Section 132.250 Appeals

EMERGENCY

- a) Right to appeal. Any hospital seeking to appeal its prospective payment rates for operating costs related to inpatient care or other services, shall submit a written request to the Department on or before July 31, 1995 1996. The request must contain the following information as specified in subsection (a) of this Section. The Department shall respond to the hospital's request for additional reimbursement within 30 days or after receipt of any additional documentation requested by the Department, whichever is later. The hospital shall bear the burden of proof throughout the appeal process.
- b) Non-appealable issue. The October 1, 1993, rates and reimbursement systems used to calculate the rates are not appealable.
- c) Appeal documentation.

- 1) The hospital must submit an explanation of the circumstances creating the need for the appeal, including a detail of the hospital services that will be significantly curtailed if the

DEPARTMENT OF PUBLIC AID
NOTICE OF EMERGENCY AMENDMENTS

hospital is not granted financial relief. The explanation must include a statement of certification signed by the hospital's chief executive officer, chief financial officer, treasurer or its properly authorized agent. The signature verifies by written declaration, and under penalties of perjury, that the signing officer has personally examined the documentation and that the information is true, correct, and complete.

2) The hospital must file a cash position statement which is based upon current assets (including all unrestricted investments), current liabilities and other data for a date which is less than 60 days old. Any liabilities payable to owners or related parties must not be reported as current liabilities on the cash position statement.

3) The hospital must submit a copy of its last three (3) financial statements audited by an external, independent certified public accountant. If the hospital is part of a group of entities which are related by common ownership or control or both, a consolidated financial statement audited by an external, independent certified public accountant separate is also required. If consolidated financial statements are not available, then the individual audited financial statements from each of the related entities may be submitted separately. The Department will merge the information. A hospital that qualifies for financial relief under Section 132.250(d)(1)(A) or (3) must submit copies of all relevant financial statements. Financial statements for the three consecutive calendar years immediately preceding the application for certification must be provided.

d) **Appeal Process.** In no event shall financial relief be awarded, unless the hospital demonstrates to the satisfaction of the Director that the Medicaid rate it receives under the Medicaid prospective payment system is insufficient to ensure Medicaid recipients reasonable access to sufficient inpatient hospital services of adequate quality. In making such demonstration the hospital must meet all of the following criteria:

- 1) The current Medicaid prospective payment case jeopardizes the long-term financial viability of the hospital. In appropriate cases, financial jeopardy may be shown to exist, if by the payment case to Medicaid recipients at the state level, the hospital is shown to be in financial jeopardy. In the aggregate, incurring hospital losses in appropriate cases, financial jeopardy may be shown to exist if the hospital is incurring a marginal gain but incurring a marginal loss. If the hospital is incurring a marginal loss, which if unsubsidized by Medicaid, would clearly jeopardize the hospital's long-term financial viability.
- 2) The population served by the hospital seeking financial relief has no reasonable access to other hospitals. If the hospital is the only hospital in the area, or if the hospital is the only hospital in the area that can serve the population, then the hospital is in financial jeopardy. If the hospital is the only hospital in the area that can serve the population, then the hospital is in financial jeopardy.

13

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

utilize generally accepted accounting principals and be accompanied with an attestation signed by the hospital's Chief Executive Officer and Chief Financial Officer, to the accuracy and validity of such statement. In addition, hospitals served by a Federally Qualified Health Center (FQHC) may exclude Federal Section 501(c)(3) grant revenue from this calculation, or

- B) The hospital may be qualified for Critical Hospital Status (as defined in 89 Ill. Adm. Code 148.295 in State fiscal year 1996, and it has a Medicaid utilization rate as described in 89 Ill. Adm. Code 148.120(k)(3), that is greater than 40 percent, whose combined Medicaid utilization rate, as described in subsection (1)(1) below, was greater than 70 percent, and whose uncompensated care percentage, as described in subsection (1)(6) below, was greater than four percent, must reflect a net loss in two out of the last four periods of a net loss in three out of the last six periods. Hospitals qualifying under this subsection may, in addition to the deductions and the ability to submit preliminary financial statements, as identified under subsection (1)(4)(A) above, deduct revenue received from a FQHC clinic that is physically located on the immediate hospital campus must reflect a net loss in two out of the last three periods. Hospitals owned by a generally accepted accounting principles (GAAP) may exclude Federal Section 501(c)(3) grant revenue from this calculation, or

- 5) The most recent financial statement as described in subsection (c)(1) above must reflect a ratio of current assets to current liabilities of less than or equal to 1.47. However, when determining such ratios a hospital may exclude Medicaid accounts receivables from this calculation and define funded depreciation as a restricted fund under subsection (1)(7) of this section, if
- A) The hospital's Hospital's whose Medicaid inpatient utilization rate, as defined in 89 Ill. Adm. Code 148.120(k)(5), is greater than 40 percent, and it is not a hospital as described in 89 Ill. Adm. Code 148.250(b)(1)(A) or 148.250(b)(1)(B), or 89 Ill. Adm. Code 148.302(c)(1) or 148.302(c)(2), and
- B) The hospital qualified for Critical Hospital Status Payments CHAP under 93 Ill. Adm. Code 148.295 in State fiscal year 1996, and it has a Medicaid utilization rate, as defined in 89 Ill. Adm. Code 148.120(k)(3), that is greater

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

than 40 percent, and it has a combined Medicaid/Medicare utilization rate, as defined in subsection (1)(1) below, that is greater than 70 percent, and it has an uncompensated care percentage, as described in subsection (1)(6) below, that is greater than four percent and its average length of stay during State fiscal year 1994 was less than 39 days, may exclude Medicaid accounts receivable from this calculation and define funded depreciation as a restricted fund under subsection (1)(7) of this section.

- E) Financial relief. If the hospital demonstrates adequate financial jeopardy, the department will determine the amount of the financial relief to be granted. The amount of the financial relief will be determined upon the individual hospital's needs.

- F) Requires otherwise purposes of this section, unless the context requires otherwise.
- 1) "Current assets" must follow Generally Accepted Accounting principles, except for this purpose all unrestricted investments must be included as current assets.
- 2) "Current liabilities" must follow Generally Accepted Accounting principles, except for this purpose any liabilities due to entities related by ownership or control must not be included as current liabilities.

- 3) "Marginal loss" is the amount by which total variable costs for each patient day exceeds the Medicaid payment rate. In calculating marginal loss, the hospital shall compute variable costs at 40 percent of total inpatient operating costs and fixed costs at 40 percent of total inpatient operating costs; however, the Director may accept a different ratio of fixed and variable operating costs if a hospital is able to demonstrate that a different ratio is appropriate for its particular institution.

- 4) "Medicaid/Medicare Utilization Rate" means the Medicaid inpatient utilization rate, as described in 89 Ill. Adm. Code 148.120(k)(5), plus the Medicaid/Medicare crossover days, as described in 89 Ill. Adm. Code 148.120(k)(1)(A), plus the Medicare inpatient utilization rate, as described in 89 Ill. Adm. Code 148.120(k)(1), divided by the number of hospital Medicare inpatient days provided in the case fiscal year described in 89 Ill. Adm. Code 148.120(k)(1), as reported on the Medicare cost report HCFA 1552 and the denominator of which is the total number of hospital inpatient days in that same period as reported on the Medicare cost report HCFA 1552.

- 5) 4) "Ratio of current assets to current liabilities" means current assets divided by current liabilities, as defined above.

- 6) "Uncompensated Care Utilization Rate" means a fraction of which the numerator is the hospital's uncompensated care charges provided in a given twelve month period, as described in 89 Ill. Adm. Code 148.150(b)(1), and the denominator of which is the hospital's total charges, as described in 89 Ill. Adm. Code

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

148.150(b)(2), in that same base year, as described in 89 Ill. Adm. Code 148.150(b)(3). In this subsection (f)(5), the term "uncompensated care charges" shall include, in addition to its usual definition, charges for services reimbursable by the Department under the Transitional Assistance Program and the Family and Children Assistance Program, formerly known as General Assistance (Article VII).

219. "Unrestricted investments" means funds which have not been restricted by the donors for use only for some purpose other than hospital operations. Also, "unrestricted investments" shall include, but not be limited to, capital expenditures, such as loan collateral, which will be considered to be restricted. Funds restricted by the hospital's board of directors will be considered as unrestricted funds for the purpose of this analysis unless otherwise allowed for under the provisions noted in Section 152.250(d)(3), (d)(4)(B) and (d)(5).

Nothing in these provisions shall preclude the Director of the Department of Public Aid from making aid-year adjustments to the hospital hardship payments made under this Section.

b197 This Section shall be automatically repealed effective June 30, 1996.

(Source: Emergency amendment at 20 Ill. Reg. 9272, effective July 1, 1996, for a maximum of 150 days)

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

1) Heading of the Part: Hospital Services

2) Code Citation: 89 Ill. Adm. Code 148

3) Section Numbers: Emergency Action: Amendment

148.82 Amendment

148.140 Amendment

148.285 New Section

4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code (305 ICS 5.12-13)

5) Effective Date of Amendments: July 1, 1996

6) If these Emergency Amendments are to expire before the end of the 150-day period, please specify the date on which it is to expire: Not Applicable

7) Date Filed in Agency's Principal Office: July 1, 1996

8) Reason for Emergency: These emergency amendments are being filed pursuant to the Governor's fiscal year 1997 budget plan and the enactment of the State's budget by the Legislature. Emergency rulemaking is specifically authorized for the implementation of the State's budget initiatives for fiscal year 1997, by Public Act 89-439 and House Bill 21.

9) Complete Description of the Subjects and Issues Involved: These emergency amendments concerning the Department's reimbursement methodologies for hospital services are being filed in conjunction with the State's budget plan for fiscal year 1997.

In Section 148.82, Organ Transplant Services, a reference to applicable disproportionate share payment adjustments in subsection (g)(3) is being revised because the language concerning outlier adjustments is incorrectly placed in the current rule. Outlier adjustments do not apply to organ transplant procedures. The corrected language specifies the use of applicable Medicaid high volume adjustments.

In Section 148.140 and 148.160, the sunset dates are being eliminated for the reimbursement of inpatient, outpatient and county provider adjustments, for county-owned hospitals in Illinois counties with populations over three million. These changes are expected to result in the maintenance of fiscal year 1997 annual aggregate expenditures at fiscal year 1996 levels.

New Section 148.285 is being implemented to provide recognition and payments for excellence in academic medicine. This new reimbursement methodology allows for the distribution of funds created under the

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

Excellence in Academic Medicine Act, the Post-Tertiary Clinical Services Fund and the Medical Research and Development Fund. The purpose of these funds is to support continued efforts to enhance access to medical services at high quality medical centers for Medicaid eligible recipients. This new program is expected to increase annual aggregate expenditures by \$6.8 million.

- 10) Are there any proposed amendments pending to this Part? No
- 11) Statement of Statewide Policy Objectives: These emergency amendments do not affect units of local government.
- 12) Information and questions regarding these Emergency Amendments shall be directed to:

Jeanne Jones
Bureau of Rules and Regulations
Illinois Department of Public Aid
100 South Grand Avenue East, Third Floor
Springfield, IL 62762
(217) 524-0981

The full text of the Emergency Amendments begins on the next page:

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

TITLE 99: SOCIAL SERVICES
CHAPTER I: DEPARTMENT OF PUBLIC AID
SUBCHAPTER d: MEDICAL PROGRAMS

PART 118
HOSPITAL SERVICES

Section	Hospital Services
148.10	Participation
148.25	Participations and Applicability
148.30	General Requirements
148.40	Special Requirements
148.50	Covered Hospital Services
148.60	Services Not Covered as Hospital Services
148.70	Operation On Hospital Services
148.80	Outpatient Services Covered Under Medicaid (Repealed)
148.82	Organ Transplant Services
EMERGENCY	
148.90	Heart Transplants (Repealed)
148.100	Liver Transplants (Repealed)
148.110	Bone Marrow Transplants (Repealed)
148.120	Disproportionate Share Hospital (DSH) Adjustments
148.130	Outlier Adjustments for Exceptionally Costly Stays
148.140	Hospital Outpatient and Clinic Services
EMERGENCY	
148.150	Public Law 103-66 Requirements
148.160	Payment Methodology for County-Owned Hospitals in a County with a Population of Over Three Million
EMERGENCY	
148.170	Payment Methodology for Hospitals Organized Under the University of Illinois Hospital Act
148.175	Supplemental Disproportionate Share Payment Methodology for Hospitals Organized Under the Town Hospital Act
148.180	Payment for Non-Operative Days, Patient Specific Orders, and Services Which Can Be Performed in an Outpatient Setting
148.190	Copayments
148.200	Alternate Reimbursement Systems
148.210	Filing Cost Reports
148.220	Pre September 1, 1991 Admissions
148.230	Admissions Occurring on or after September 1, 1991
148.240	Utilization Review and Furnishing of Inpatient Hospital Services Directly or Under Arrangements
148.250	Determination of Alternate Payment Rates to Certain Exempt Hospitals
148.260	Calculation and Definitions of Inpatient Per Diem Rates
148.270	Determination of Alternate Cost Per Diem Rates for All Hospitals; Payment Rates for Certain Exempt Hospital Units; and Payment Rates for Certain Other Hospitals

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

148.280 Reimbursement Methodologies for Children's Hospitals and Hospitals
Reimbursed Under Special Arrangements
148.285 Excellence in Academic Medicine Payments
148.290 Adjustments and Reductions to Total Payments
148.300 Critical Hospital Adjustment Payment (CHAP)
148.310 Review Procedure
148.320 Alternatives
148.330 Exemptions
148.340 Substance Alcoholism and Substance Abuse Treatment Services
148.350 Definitions
148.360 Types of Substance Alcoholism and Substance Abuse Treatment Services
148.368 Volume Adjustment (Repeated)
148.370 Payment for Substance Alcoholism and Substance Abuse Treatment Services
148.380 Rate Appeals for Substance Alcoholism and Substance Abuse Treatment Services
148.390 Hearings
148.400 Special Hospital Reporting Requirements

NOTWITHSTANDING: Implementing Article III of the Illinois Health Finance Reform Act (20 ILCS 2115-1-1) and implementing and authorized by Articles III, IV, V, VI, and Section 12-1.3 of the Illinois Public Aid Code (305 ILCS 5/Act. III, IV, V, VI and 12-1.3).

SOURCE: Sections 148.10 thru 148.390 reclassified from 89 Ill. Adm. Code 140.94 thru 140.398 at 13 Ill. Reg. 9572; Section 148.120 reclassified from 89 Ill. Adm. Code 140.110 at 13 Ill. Reg. 1213; amended at 14 Ill. Reg. 2533, effective February 9, 1990; emergency amendment at 14 Ill. Reg. 11392, effective July 1, 1990, for a maximum of 150 days; amended at 14 Ill. Reg. 15338, effective September 13, 1990; amended at 14 Ill. Reg. 15998, effective October 4, 1990; amended at 14 Ill. Reg. 18293, effective October 30, 1990; amended at 14 Ill. Reg. 18499, effective November 8, 1990; emergency amendment at 15 Ill. Reg. 10502, effective July 1, 1991, for a maximum of 150 days; emergency expired October 29, 1991; emergency amendment at 15 Ill. Reg. 12005, effective August 9, 1991, for a maximum of 150 days; emergency expired January 6, 1992; emergency amendment at 15 Ill. Reg. 15168, effective November 7, 1991, for a maximum of 150 days; amended at 15 Ill. Reg. 16044, effective December 20, 1991; amended at 16 Ill. Reg. 13355, effective March 30, 1992, for 1992; emergency amendment at 16 Ill. Reg. 13355, effective March 30, 1992, for 1992; emergency expired November 28, 1992; emergency amendment at 16 Ill. Reg. 14342, effective July 10, 1992, for a maximum of 150 days; emergency amendment at 16 Ill. Reg. 14778, effective October 1, 1992, for a maximum of 150 days; amended at 16 Ill. Reg. 19793, effective December 7, 1992; amended at 17 Ill. Reg. 1311, effective December 21, 1992; amended at 17 Ill. Reg. 3296, effective March 1, 1993; amended at 17 Ill. Reg. 6619, effective April 21, 1993; amended at 17 Ill. Reg. 14643, effective August 30, 1993; emergency amendment at 17

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

Ill. Reg. 17323, effective October 1, 1993, for a maximum of 150 days; amended at 18 Ill. Reg. 3450, effective February 28, 1994; emergency amendment at 18 Ill. Reg. 12853, effective August 2, 1994, for a maximum of 150 days; amended at 18 Ill. Reg. 14117, effective September 1, 1994; amended at 18 Ill. Reg. 17648, effective November 29, 1994; amended at 19 Ill. Reg. 1067, effective January 20, 1995; emergency amendment at 19 Ill. Reg. 3510, effective March 1, 1995, for a maximum of 150 days; emergency expired July 29, 1995; emergency amendment at 19 Ill. Reg. 4709, effective August 12, 1995; amended at 19 Ill. Reg. 50732, effective July 1, 1995, for a maximum of 150 days; amended at 19 Ill. Reg. 50732, effective June 29, 1995; emergency amendment at 19 Ill. Reg. 50732, effective July 1, 1995, for a maximum of 150 days; amended at 19 Ill. Reg. 10099, effective September 5, 1995; amended at 19 Ill. Reg. 15630, effective November 28, 1995; amended at 20 Ill. Reg. 972, effective December 29, 1995; amended at 20 Ill. Reg. 7912, effective May 31, 1996; emergency amendment at 20 Ill. Reg. 9281, effective July 1, 1996, for a maximum of 150 days.

Section 148.82 Organ Transplant Services

EMERGENCY

- Introduction
The Department of Public Aid will cover organ transplants as identified under subsection (b) below which are provided by certified organ transplant centers which meet the requirements specified in subsections (a) through (h) of this Section.
- Certified Centers
 - Bone marrow, heart, heart/lung, lung (single or double), liver, pancreas or kidney/pancreas transplantation.
 - Other types of transplant procedures may be covered when a hospital has been certified by the Department as a transplant center eligible to perform such transplants. Centers must complete the certification process established in subsection (c) below and provide the necessary documentation of the number of transplant procedures performed and the survival rates.
 - Medically necessary work-up and evaluation up to three (3) days prior to transplantation.
- Certification Process
 - In order to be certified to receive reimbursement for transplants performed on Medicaid patients, the hospital must:
 - Request an application from the Bureau of Hospital Services;
 - Submit a completed application to the Department for the type of transplant for which the center is seeking certification;
 - Meet certification criteria established in subsection (d) below, based upon review and recommendation of each application by the State Medical Advisory Committee (SMAC); and
 - Submit a detailed status report on each patient for the type of transplant for which the hospital is seeking

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

certification. Such reports must include the patient's diagnosis, date of transplant, the length of hospitalization, charges, survival rates, patient-specific transplant outcome, and complications (including cause of death, if applicable) for all transplants performed for the two years preceding the date of the application. To protect the privacy of the patient, the report must not include the names of the Medicaid and non-Medicaid patients in this report.

2) The department shall notify the hospital of approval or denial of the hospital as a transplant center for Medicaid eligible patients.

3) In the event that no hospital formally certified by the Department is able to provide a covered service set forth in subsection (b) above within the time frame necessary to preserve the recipient's health, the Department shall review a request for prior approval of the service from a non-certified facility, and if the facility satisfies the criteria for certification, approve the request on an individual case basis.

d) **Certification Criteria**
1) Hospitals seeking certification as a transplant center shall submit documentation to verify that:

- A) The hospital is capable of providing all necessary medical and nursing services;
- B) The hospital has a transplant patient;
- C) The hospital has had at least one year of experience with heart and liver transplants in operation for the past two years with 12 transplant procedures per year for the past two years and 12 cases before that for adult heart and liver transplants;
- D) The hospital has had the transplant program for heart/lung and lung transplants in operation for at least three years with ten transplant procedures per year for the past two years and ten cases before that for adult heart/lung and lung transplants;
- E) A hospital specializing in pediatric heart/lung and lung transplants has had a program in operation for at least three years and has performed a minimum of six transplant procedures per year for the past two years, and six procedures before that;
- F) The hospital has had the transplant program for adult and pediatric bone marrow transplants in operation for at least two years with 12 transplant procedures per year for the past two years;
- G) A hospital specializing in pediatric heart or liver transplants, or both, has had a program in operation for at least three years and has performed a minimum of six transplant procedures per year for the past two years, and six procedures before that;
- H) The hospital has had the transplant program in operation for

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

at least three years with 25 transplant procedures per year for the past two years and 25 cases before that for kidney transplants, and five transplant procedures per year for the past two years and five before that for pancreas transplants, or 12 transplant procedures per year for the past two years and 12 before that for kidney/pancreas transplants;

- I) The hospital has experts, on staff, in the fields of cardiology, pulmonology, anesthesiology, immunology, infectious diseases, nursing, social services, organ procurement, associated surgery and internal medicine to constitute the transplant team. In addition, in order to qualify the transplant center for pediatric patients, the hospital must also have experts in the field of pediatric surgery. The hospital has no cardiovascular, medical and surgical program as evidenced by the number of cardiac catheterizations, coronary arteriograms, open heart procedures per year for heart transplant candidates per year;
- K) The hospital has pathology resources that are available for studying and reporting the pathological responses for transplantation;
- L) The hospital complies with applicable State and Federal laws and regulations;
- M) The hospital participates in a recognized national donor procurement program, abides by its rules, and provides the Department with the name of the national organization of which it is a member;
- N) The hospital has an interdisciplinary body to determine the suitability of candidates for transplantation;
- O) The hospital has blood bank support necessary to meet the demand for heart, liver, kidney, pancreas transplant survival rates as supported by the applicable transplant survival rates accepted by the Department;
- P) The hospital has a transplant program for heart, lung and liver transplant patients:
 - i) A one-year survival rate of 50 percent for bone marrow transplant patients;
 - ii) A one-year survival rate of 75 percent and a two-year survival rate of 60 percent for heart transplant patients;
 - iii) A one-year survival rate of 75 percent and a two-year survival rate of 60 percent for liver transplant patients;
 - iv) A one-year survival rate of 90 percent for kidney transplant and a one-year survival rate of 80 percent for pancreas transplant; or a one-year survival rate of 80 percent for kidney/pancreas transplant patients;
 - v) A one-year survival rate of 85 percent and a two-year survival rate of 60 percent for heart/lung and lung

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

- (single or double) transplant patients.
- 2) The commitment of the hospital to support the transplant center must be at all levels as evidenced by such factors as financial resources, allocation of space and the support of the professional staff for the transplant program and its patients. The hospital must designate that:
 - A) Cooperator teams are treated into a comprehensive transplant team with clearly defined leadership and responsibility;
 - B) The hospital safeguards the rights and privacy of patients;
 - C) The hospital has adequate patient management plans and protocols to meet the patient and management's needs.
 - 3) The hospital must identify, in writing, the director of the transplant program and the members of the team as well as their qualifications. Physician team members must be identified as board certified, in preparation for board certification, or pending board certification, and the transplant coordinator's name must be submitted.
 - 4) The hospital must provide patient selection criteria including indications and contraindications for the type of transplant procedure at which the facility is seeking certification.
 - e) Recertification Criteria
 - 1) The Department shall require an annual review for certification of transplant center. A certified center must submit documentation established under subsections (c) and (d) of this Section for review by the Department's State Medical Advisory Committee for certification as a transplant center.
 - 2) Survival rates of previous transplant patients must be documented prior to certification. The center must maintain patient volume in the year of certification based on previous transplant statistics.
 - 3) The Department shall notify the hospital of approval or denial of the recertification of the hospital as a transplant center.
 - f) Notification of Transplant
 - 1) The hospital must notify the Department prior to performance of the transplant procedure. The notification letter must be from a physician on the transplant team.
 - 2) The notification must include the admission diagnosis and the hospital's diagnosis.
 - 3) The Department will provide the hospital regarding receipt of the notification and provide the appropriate patient tracking forms to the hospital.
 - g) Reimbursement
 - 1) Hospital services rendered for transplant procedures under this Section are exempt from the provisions of Sections 148.250 through 148.330 and 89 Ill. Adm. Code 149 of the Department's administrative rules governing hospital reimbursement. Hospital reimbursement for transplants covered within this Section is an

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

- all-inclusive rate for the admission, regardless of the number of days of care associated with that admission, which is limited to a maximum of 60 percent of the hospital's usual and customary charges to the general public for the same procedure for the number of days listed below for specific types of transplants:
- A) Three days of pre-operative inpatient work-up; and
 - B) A maximum 30 consecutive days of post-operative inpatient care for heart, heart/lung, lung (single or double), pancreas, or kidney/pancreas transplant; or
 - C) 40 consecutive days of inpatient care for liver transplant;
 - D) 50 consecutive days of inpatient care for bone marrow transplant; or
 - E) For those transplants covered under subsection (b)(2) of this Section, the number of consecutive days of inpatient care specified within the transplant certification process.
- 2) Reimbursement will be approved only when the Department's letter acknowledging the notification of the transplant procedure is attached to the hospital's claim.
- 3) Applicable disproportionate share payment adjustments shall be made in accordance with Section 148.120(g). Applicable Medicaid High Volume Adjustments--adjustments--shall--be--made--in--accordance--with--Section--148.120(g). Applicable Medicaid adjustments shall be made in accordance with Section 148.130 (3). The rate will not include transportation and physician fees when reimbursed pursuant to 89 Ill. Adm. Code 140.410 through 140.414 and 140.490 through 140.492, respectively.
- 5) Hospital reimbursement for bone marrow searches is limited to 60 percent of the maximum of \$25,000. Payment for bone marrow searches will be paid to the certified center requesting reimbursement for the bone marrow transplant.
- b) Reporting Requirements of Certified Transplant Center
- The following documentation must be submitted within the time limits set forth in this subsection.
- 1) Patient Tracking
 - A) The center must submit annually a statistical summary including information for all patients having received transplants at the transplant center. Patients not covered by Medicaid may be identified numerically or by other means identified by the hospital, to protect patient confidentiality. The summary must include, but is not limited to, short and long term outcome on all patients.
 - B) The discharge summary for each Medicaid patient must be received by the Department within 30 days of the patient's discharge.
 - C) The annual outcome summaries for each Medicaid patient must be received by the Department within 30 days of the annual patient post-transplant evaluation.

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

- D) For those Medicaid patients who expire, a summary must be received by the Department within 30 days of the patient's death.

- 2) Notification of Changes
The center must notify the Department within 30 days of any changes in its program, including, but not limited to, certification criteria, patient selection criteria, members of the transplant team and the coordinator.

(Source: Emergency amendment at 20 Ill. Reg. 9281, effective JUL 1 1996, for a maximum of 150 days)

Section 148.140 Hospital Outpatient and Clinic ServicesEMERGENCY

- a) Fee-For-Service Reimbursement

- 1) Reimbursement for hospital, outpatient and hospital-based clinic services shall be made on a fee for service basis, except for:

- A) Those services that meet the definition of the Hospital Ambulatory Care Program as described in subsection (b) of this Section, which shall be reimbursed in accordance with subsections (b)(4) and (b)(6) of this Section, and adjusted in accordance with subsection (b)(8) of this Section;

- B) ESRD services, as described in subsection (c) of this Section, which shall be reimbursed in accordance with subsection (c) of this Section; and

- C) Those services provided by a Certified Pediatric Ambulatory Care Center (CPACC), as described in 89 Ill. Adm. Code 140.46(f)(1)(D) and Section 148.25(b)(3)(D), which shall be reimbursed in accordance with subsection (b)(4) of this Section.

- 2) Fee-for-service reimbursement levels shall be based on the hospital's usual and customary charges to the public or the Department's statewide maximum reimbursement screens. Hospitals will be required to bill the Department utilizing specific service codes. However, all specific client coverage policies (relating to client eligibility and scope of services available to those clients) which pertain to the service billed are applicable to hospitals in the same manner as to non-hospital providers who bill fee for service.

- 3) With respect to those hospitals described in Section 148.25(b)(2)(A), the reimbursement rate described in subsection (a)(2) above shall be adjusted on a retrospective basis. The retrospective adjustment shall be calculated as follows:

- A) The reimbursement rates described in subsection (a)(2) above shall be no less than the reimbursement rates in effect on June 1, 1992, except that this minimum shall be adjusted on the first day of July of each year by the annual percentage

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

change in the per diem cost of inpatient hospital services as reported on the two most recent annual Medicaid cost reports.

- B) The per diem cost of inpatient hospital services shall be calculated by dividing the total allowable Medicaid costs by the total allowable Medicaid days.

- 4) Maternal and Child Health Program Healthy-Moms-Healthy-Kids rates, as described in 89 Ill. Adm. Code 140 Table M, shall be paid to Certified Hospital Ambulatory Primary Care Centers (CHAPCC), as described in 89 Ill. Adm. Code 140.46(f)(1)(A) and Section 148.25(b)(5)(A), Certified Hospital Organized Satellite Clinics (CHOSC), as described in 89 Ill. Adm. Code 140.46(f)(1)(B), and Section 148.25(b)(5)(B), and Certified Outpatient Ambulatory Care Centers (COACC), as described in 89 Ill. Adm. Code 140.46(f)(1)(C) and Section 148.25(b)(5)(C).

Maternal and Child Health Program Healthy-Moms-Healthy-Kids rates shall also be paid to Certified Pediatric Ambulatory Care Centers (CPACC), as described in 89 Ill. Adm. Code 140.46(f)(1)(D) and Section 148.25(b)(5)(D), for covered services as described in 89 Ill. Adm. Code 140.46(f)(3), that are provided to non-assigned patients. Code 140.46(f)(3) shall be applied to Healthy-Moms-Healthy-Kids program clients, as described in 89 Ill. Adm. Code 140.46(f)(1)(D).

- 5) Certified Pediatric Ambulatory Care Centers (CPACC) and Section 148.25(b)(5)(D), shall be reimbursed in accordance with 89 Ill. Adm. Code 140.46(f)(1)(D) and Section 148.25(b)(5)(D), for assigned clients.

- 6) Hospitals described in Sections 148.25(b)(2)(A) and 148.25(b)(2)(B) shall be required to submit outpatient cost reports to the Department within 90 days after the close of the facility's fiscal year.

- 7) With the exception of the retrospective adjustment described in subsection (a)(3) above, no year-end reconciliation is made to the reimbursement rates calculated under this Section.

- b) Hospital Ambulatory Care Program
Effective April 1, 1996, the Department liberalized the list of allowable ambulatory procedures to add many surgical, diagnostic and specialty chemical treatment procedures that can be performed and billed on an ambulatory basis.

- 1) Hospital Ambulatory Care Program
Under the Hospital Ambulatory Care Program, a Hospital Ambulatory Care List was developed that defines those ambulatory procedures that require the use of the hospital outpatient or hospital-based clinic setting, its technical staff and/or equipment. These procedures were separated into four separate groupings based upon the complexity and historical costs of the procedures. The four separate groupings are as follows:

- A) Group I procedures are high level technology surgeries that consume many hospital resources and are costly to deliver.

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

- B) Group II procedures are certain nonsurgical, very high level technology services, including those specifically approved by the Department as safe outpatient procedures.
- C) Group III procedures are other surgical, specialized cardiac and diagnostic procedures.
- D) Group IV procedures are specialized treatment procedures, observation services, high risk, and emergency room services.

- 2) Hospital Ambulatory Care List Updating
The Hospital Ambulatory Care List is updated periodically. As technology changes, so do the procedures that fall into the four categories. In addition, annual changes in the ICD-9-CM procedure codes and their meanings necessitate annual changes to the Hospital Ambulatory Care List.

- 3) Hospital Ambulatory Care Reimbursement Prior to July 1, 1995
Reimbursement for Hospital Ambulatory Care procedures was determined as follows: For each of the four separate groupings identified in subsection (b)(1) above, a set rate maximum has been developed based on the complexity of the procedures, historical costs, and teaching status of the hospital, the type of hospital, and the setting in which the procedure would most likely be performed (i.e., outpatient department, general clinic department, psychiatric clinic department, or physical rehabilitation clinic department). These set rate maximums have been periodically adjusted since 1986 based upon the above factors. Reimbursement for Hospital Ambulatory Care procedures performed prior to July 1, 1995, shall be reimbursed in accordance with the statutes and administrative rules governing the time period when the services were rendered.
- 4) Hospital Ambulatory Care Reimbursement Effective July 1, 1995
Effective July 1, 1995, reimbursement for Hospital Ambulatory Care procedures shall be as follows:

- A) With respect to Group I procedures described in subsection (a)(1)(A) above, reimbursement shall be at the lesser of charges or the rate determined by the set rate maximum as defined in Section 148.20(a), equivalent to the rate of a one-day inpatient stay.
- B) With respect to Group II procedures described in subsection (b)(1)(B) above, reimbursement shall be at the lesser of charges or one of two separate rate maximums depending upon whether the hospital is classified as:

- i) A hospital defined in Section 148.25(b)(2)(A) through (b)(2)(C) which is a major teaching hospital as defined in Section 148.25(d); or

- ii) A hospital, as defined in 89 Ill. Adm. Code 149.50(c)(3); or

- C) With respect to the Group III procedures described in

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

- subsection (b)(1)(C) above, reimbursement shall be at the lesser of charges or one of two separate rate maximums depending upon whether the hospital is classified as:

- i) (b)(2)(C) which is a major teaching hospital as defined in Section 148.25(b)(2)(A) through (b)(2)(C); or

- ii) A hospital defined in Section 148.25(b)(2)(A) through (b)(2)(C) which is a major teaching hospital, as defined in 89 Ill. Adm. Code 149.50(c)(3); or

- D) With respect to the Group IV procedures described in subsection (b)(1)(D) above, reimbursement shall be at the lesser of charges or one of six separate rate maximums depending upon whether the hospital is classified as:

- i) A hospital defined in Section 148.25(b)(2)(A) through (b)(2)(C) which is a major teaching hospital, as defined in Section 148.25(d); or a children's hospital, as defined in 89 Ill. Adm. Code 149.50(c)(3); or

- ii) A hospital defined in Section 148.25(b)(2)(A) through (b)(2)(C) which is a major teaching hospital, as defined in 89 Ill. Adm. Code 149.50(c)(3); or

- iii) Whether the service is provided in the outpatient, clinic, or inpatient setting, psychiatric clinic, or rehabilitation clinic.

- 5) County Facility Outpatient Adjustment

- A) Effective for services provided on or after July 1, 1995, county owned hospitals in an Illinois county with a population of over three million shall be eligible for a county facility outpatient adjustment payment. This adjustment payment shall be in addition to the amounts calculated under this Section and are calculated as follows:

- i) Beginning with Per-the-rate-year July 1, 1995, through June 30, 1999, hospitals under this subsection shall receive an annual adjustment payment equal to total base year hospital outpatient costs trended forward to the rate year minus total estimated rate/year hospital outpatient payments, multiplied by the resulting ratio derived when the value 200 is divided by the quotient of the difference between total base year hospital outpatient costs trended forward to the rate year and total base year hospital outpatient payments divided by one million.

- ii) The county facility outpatient adjustment under this subsection shall be made on a quarterly basis.

- B) County Facility Outpatient Adjustment Definition. The definitions of terms used with reference to calculation of the county facility outpatient adjustment are as follows:

- i) "Base Year" means the most recently completed State fiscal year.

- ii) "Rate Year" means the State fiscal year during which

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

the county facility adjustment payments are made.
 iii) "Total Estimated Rate Year Hospital Outpatient Payment" means the Department's total estimated outpatient date of service liability, projected for the upcoming rate year.

iv) "Total Hospital Outpatient Costs" means the statewide sum of all hospital outpatient costs derived by summing each hospital's outpatient charges derived from actual paid claims data multiplied by the hospital's cost-to-charge ratio.

6) No Year-End Reconciliation. With the exception of the retrospective rate adjustment described in subsection (b)(7) of this Section, no year-end reconciliation is made to the reimbursement rates calculated under subsection (b).

7) Rate Adjustments

With respect to those hospitals described in Sections 148.25(b)(2)(A), the reimbursement rates described in subsection (b)(4) above shall be adjusted on a retrospective basis. The retrospective adjustment shall be calculated as follows:

A) The reimbursement rates described in subsection (b)(4) above shall be no less than the reimbursement rates in effect on June 1, 1992, except that this minimum shall be adjusted on the first day of July of each year by the annual percentage change in the per diem cost of inpatient hospital services reported on the two most recent annual Medicaid cost

B) The per diem cost of inpatient hospital services shall be calculated by dividing the total allowable Medicaid costs by the total allowable Medicaid days.
 8) Services are available to all clients in geographic areas in which an encounter rate hospital or a county-operated outpatient facility is located. All specific client coverage policies (relating to eligibility and scope of services available to those clients) which pertain to the service billed are applicable to hospitals reimbursed under the Ambulatory Care Program in the same manner as to encounter rate hospitals and to non-hospital and hospital providers who bill and receive reimbursement on a fee-for-service basis.

9) Hospitals described in Sections 148.25(b)(2)(A) and (b)(2)(B) shall be required to submit outpatient cost reports to the Department within 90 days after the close after the facility's

c) Payment for outpatient end-stage renal disease treatment (ESRDT) services provided pursuant to Section 148.40(c) shall be made at the Department's payment rates, as follows:
 1) For inpatient hospital services provided pursuant to Section 148.40(c)(1), the Department shall reimburse hospitals pursuant

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

to Sections 148.40 through 148.300 and 99 Ill. Adm. Code 149.
 2) For outpatient services, including dialysis treatments provided pursuant to Sections 148.40(c)(2) and 148.40(c)(3), the Department will reimburse hospitals and clinics for ESRDT services at a rate which will reimburse the provider for the dialysis services and all related supplies and equipment, as defined in 42 CFR 405.2460 (1994). This rate will be that rate established by Medicare pursuant to 42 CFR 405.2114 and 413.170 (48v149 (1994)).

3) Payment for non-routine services. For services which are provided during outpatient or home dialysis treatment pursuant to Sections 148.40(c)(2) or 148.40(c)(3) but are not defined as a routine service under 42 CFR 405.2163 (1994), separate payment will be made to independent laboratories, pharmacies, and medical supply providers pursuant to 99 Ill. Adm. Code 140.430 through 140.434, 140.440 through 140.450, and 140.475 through 140.481, respectively.

4) Payments for physician services relating to ESRDT will be made separately for physicians, pursuant to 99 Ill. Adm. Code 140.400.

5) With respect to the reimbursement rates described in this subsection (c), shall be adjusted on a retrospective basis. The retrospective adjustment shall be calculated as follows:
 A) The reimbursement rates described in this subsection (c) shall be no less than the reimbursement rates in effect on June 1, 1992, except that this minimum shall be adjusted on the first day of July of each year by the annual percentage change in the per diem cost of inpatient hospital services as reported on the two most recent annual Medicaid cost reports.

B) The per diem cost of inpatient hospital services shall be calculated by dividing the total allowable Medicaid costs by the total allowable Medicaid days.
 6) With the exception of the retrospective rate adjustment described in subsection (c)(5) above, no year-end reconciliation is made to the reimbursement rates calculated under this subsection (c).

7) Hospitals described in Sections 148.25(b)(2)(A) and 148.25(b)(2)(B) shall be required to submit outpatient cost reports to the Department within 90 days after the close of the facility's fiscal year.
 d) Non Hospital Based Clinic Reimbursement

1) County-Operated Outpatient Facility Reimbursement
 Reimbursement for all services provided by county-operated outpatient facilities, as described in Section 148.25(b)(2)(C), that do not qualify as Maternal and Child Health Program Healthy Moms-Healthy Kids Managed Care clinics, as described in 99 Ill. Adm. Code 140.461(f), shall be on an all-inclusive per encounter rate basis as follows:
 A) Base Rate. The per encounter base rate shall be calculated

A) Base Rate. The per encounter base rate shall be calculated

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

as follows:

- i) Allowable direct costs shall be divided by the number of direct encounters to determine an allowable cost per encounter delivered by direct staff.
 - ii) The resulting quotient, as calculated in subsection (d)(1)(A)(i) above, shall be multiplied by the Medicare allowable overhead rate factor to calculate the overhead cost per encounter.
 - iii) The resulting product, as calculated in subsection (d)(1)(A)(ii) above, shall be added to the resulting quotient, as calculated in subsection (d)(1)(A)(i) above, to determine the per encounter base rate.
 - iv) The resulting sum, as calculated in subsection (d)(1)(A)(iii) above, shall be the per encounter base rate.
- B) Supplemental Rate
- i) The supplemental service cost shall be divided by the total number of direct staff encounters to determine the direct supplemental service cost per encounter.
 - ii) The supplemental service cost shall be multiplied by the allowable overhead rate factor to calculate the supplemental overhead cost per encounter.
 - iii) The quotient derived in subsection (d)(1)(B)(i) above, shall be added to the product derived in subsection (d)(1)(B)(ii) above, to determine the per encounter supplemental rate.
 - iv) The resulting sum, as described in subsection (d)(1)(B)(iii) above, shall be the per encounter supplemental rate.
- C) Final Rate
- i) The per encounter base rate, as described in subsection (d)(1)(A)(iv), shall be added to the per encounter supplemental rate, as described in subsection (d)(1)(B)(iv), to determine the per encounter final rate.
 - ii) The resulting sum, as determined in subsection (d)(1)(C)(i) above, shall be the per encounter final rate.
 - iii) The per encounter final rate, as described in subsection (d)(1)(C)(ii) above, shall be adjusted in accordance with subsection (d)(2) below.

- 2) Rate Adjustments
- a) Rate adjustments to the per encounter final rate, as described in subsection (d)(1)(C)(iii) above, shall be calculated as follows:
 - A) The rate adjustment shall be calculated as follows through (d)(1)(C)(iv) of this Section shall be no less than the reimbursement rates in effect on June 1, 1992, except that this minimum shall be adjusted on the first day of July of

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

each year by the annual percentage change in the per diem cost of inpatient hospital services as reported on the two most recent annual Medicaid cost reports. The per diem cost of inpatient hospital services shall be calculated by dividing the total allowable Medicaid costs by the total allowable Medicaid days.

- B) The per diem cost of inpatient hospital services shall be calculated by dividing the total allowable Medicaid costs by the total allowable Medicaid days.
- 3) County-operated outpatient facilities, as described in Section 149.50(c)(1)(C), shall be treated as if they were operated by the facility's fiscal year. No year-end reconciliation is made to the reimbursement calculated under this subsection (d).
- 4) Services are available to all clients in geographic areas in which an encounter rate hospital or a county-operated outpatient facility is located. All specific client coverage policies (relating to client eligibility and scope of services available to those clients) which pertain to the service billed are applicable to encounter rate hospitals in the same manner as to hospitals reimbursed under the Ambulatory Care Program and to non-hospital and hospital providers who bill and receive reimbursement on a fee-for-service basis.

(Source: Emergency amendment at 20 Ill. Reg. **9281**, effective JUL 1 1996, for a maximum of 150 days)

Section 149.160 Payment Methodology for County-Owned Hospitals in an Illinois County with a Population of Over Three Million
EMERGENCY

- a) Reimbursement Methodology
- i) In accordance with 89 Ill. Adm. Code 149.50(c)(8), county-owned hospitals in an Illinois county with a population greater than three million are excluded from the DRG PPS and are reimbursed in accordance with this Section.
- ii) Base Year Costs
- 1) The hospitals' base year operating costs shall be contained in the hospitals' audited cost reports (see 42 CFR 417.260 and 417.265 (1982)) for hospital fiscal years ending between 10 and 31 months prior to the fiscal year for which rates are being set.
- 2) The hospitals' base year capital related costs shall be derived from the same audited cost reports used for operating costs in subsection (b)(1) above.
- 3) The hospitals' base year direct medical education costs shall be derived from the same audited cost reports used for operating costs in subsection (b)(1) above.
- 4) The base year cost per diem shall be the sum of the operating

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

cost per diem, capital related cost per diem and medical education cost per diem defined in subsections (b)(1) through (b)(3).

5) New hospitals, for which a base year cost report is not on file, will be reimbursed the per diem rate calculated in subsection (b)(4) above and inflated in subsection (d)(1) below.

c) Restructuring Adjustment

Adjustments to the base year cost per diem, as described in subsection (b)(4) above, will be made to reflect restructuring since filing the base year cost reports. The restructuring must have been mandated to meet state, federal or local health and safety standards. The allowable Medicare/Medicaid costs (see 42 CFR Part 405, Subpart D, 1992) must be identified as a result of mandated restructuring and 1992 figures must be used in the audit. Restructuring costs are defined as the costs of restructuring that are not reimbursable during the first year, but which constitute one percent or more of the total allowable Medicare/Medicaid unit costs for the same time period. The Department will use the most recent available audited cost reports to determine restructuring costs. If audited cost reports become available during the rate year, the reimbursement rate will be recalculated at that time to reflect restructuring cost adjustments. For audited reports received at the Office of Health Finance, Illinois Department of Public Aid, between the first and fifteenth of the month, the effective date of the recalculated rate will be the first day of the following month. For audited reports received at the Finance Section between the sixteenth and last day of the month, the effective date will be the first day of the second month following the month the reports are received. Allowable restructuring costs are adjusted to account for inflation from the midpoint of the restructuring cost reporting year to the midpoint of the rate year. The rate year is the calendar year ending on the day of the audit. The midpoint of the hospital market basket index is calculated by averaging the midpoint of the hospital market basket index and added to the base year cost per diem, as described in subsection (b)(4), which is subject to the inflation adjustment described in subsection (d) below.

d) Inflation Adjustment For Base Year Cost Report Inflator

1) The base year cost per diem, as defined in subsection (b)(4) above, shall be inflated from the midpoint of the hospitals' base year to the midpoint of the time period for which rates are being set (rate period) according to the historical rate of annual cost increases. The historical rate of annual cost increases shall be calculated by dividing the operating cost per diem as defined in subsection (b)(1) above by the previous year's operating cost per diem.

2) Effective October 1, 1992, the final reimbursement rate shall be no less than the reimbursement rate in effect on June 1, 1992; except that this minimum shall be adjusted each July 1, thereafter, by the annual percentage change in the per diem cost of inpatient

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

hospital services as reported in the most recent annual Medicaid cost reports.

e) Review Procedure

The review procedure shall be in accordance with Section 148.310.

f) Applicable Inpatient Adjustments

1) The criteria and methodology for making applicable adjustments to DRG hospitals which are exempt from the DRG PPS, as described in subsection (a) above, shall be in accordance with Section 148.120.

2) The criteria and methodology for making applicable Medicaid Percentage Adjustments to hospitals which are exempt from the DRG PPS as described in subsection (a) above is described below.

A) The payment adjustment shall be \$150 plus \$2 for each one percent that the hospital's Medicaid inpatient utilization rate as described in Section 148.120(K)(5), exceeds 1.5 standard deviations above the mean Medicaid inpatient utilization rate as determined by the Medicaid inpatient utilization rate by DRG, multiplied by the Medicaid inpatient utilization rate by DRG, for the year 1991, shall be tiered forward to the current rate year for inflationary increases.

B) The amount calculated pursuant to subsection (f)(2)(A) above shall be adjusted on October 1, 1995, and annually thereafter, by a percentage equal to the lesser of:

1) The increase in the national hospital market basket price proxies (DRI) hospital cost index for the most recent 12 month period for which data are available; or

2) The percentage increase in the statewide average hospital payment rate, as described in Section 148.120(K)(8) over the previous year's statewide average hospital payment rate.

C) The amount calculated pursuant to subsections (f)(2)(A) through (f)(2)(B) above shall be no less than the rate calculated in accordance with Section 148.120(9)(2) in effect on June 1, 1992, except that the rate shall be adjusted annually by the annual percentage change in the per diem cost of inpatient hospital services as reported on the two most recent Medicaid cost reports. The per diem cost of inpatient hospital services is calculated by dividing the total allowable Medicaid costs by the total allowable Medicaid days.

D) The amount calculated pursuant to subsection (f)(2) above shall be the Medicaid percentage adjustment which shall be paid on a per diem basis and shall be applied to each covered day of care provided.

3) County Provider Entitlement Adjustment.

A) Effective July 1, 1995, hospitals reimbursed under this Section shall be eligible to receive a County Provider

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

critical-inpatient adjustment. The methodology used to determine the add-on payment amount is as follows:

- 1) Beginning with ~~for-the-rate-year~~ July 1, 1995, through June 30, 1996, hospitals under this Section shall receive \$15,500 per Medicaid inpatient admission in the base period under this subsection shall be made on a ~~rate-year~~ basis.
- 2) ~~County Period~~ ~~Effective-Inpatient~~ ~~Year~~ ~~Definitions.~~

1) "Base Period" means State fiscal year 1994 for critical-inpatient-adjustments-calculated-and-paid during State fiscal year-1995.

1) "Medicaid Inpatient Admission" means hospital inpatient admissions provided in the base period, which were subsequently adjudicated by the Department through the last day of June 1995 preceding the rate year-and-contained-within-the-Department's-paid-claims database, for recipients of medical assistance under Title XIX of the Social Security Act, excluding admissions for normal newborns and Medicare/Medicaid crossover days.

4) Hospitals reimbursed under this Section shall receive supplemental payments, effective with admissions on or after July 1, 1995, for the period of time that hospitals are reimbursed under this Section shall be calculated by multiplying the sum of the base year cost per diem, as described in subsection (b)(4) above, as adjusted for restructuring, as described in subsection (c) above, and as adjusted for inflation, as described in subsection (d) above, and the sum of the calculated disproportionate share and Medicaid percentage per diem payments as described in Section 148.120 and subsection (f)(2) above, by the hospitals' percentage of charges which are not reimbursed by a third party payer for the period of August 1, 1991, through July 31, 1992. Effective July 1, 1995, the supplemental inpatient payments calculated under this subsection shall be no less than the supplemental inpatient rates in effect on June 1, 1992, except that this minimum shall be adjusted as of July 1, 1992, and on the first day of July of each year thereafter, by the annual percentage change in the per diem cost of hospital inpatient services as reported in the most recent available hospital cost survey. The total allowable supplemental hospital services is calculated by dividing the total allowable Medicaid cost by the total allowable Medicaid days. The supplemental inpatient payment adjustment shall be paid on a per diem basis and shall be applied to each covered day of care provided.

9) Outlier Adjustments
Outlier adjustments to payment amounts for medically necessary

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

inpatient hospital services involving exceptionally high costs for certain individuals shall be made in accordance with Section 148.130. b) Trauma Center Adjustments. Trauma center adjustments shall be made in accordance with Section 148.290(c).

1) Reductions to Total Payments

1) Copayments. Copayments are assessed under all medical programs administered by the Department except the family and children assistance program formerly known as the general assistance program and shall be assessed in accordance with section 148.190.

2) Third Party Payments. The requirements of Section 148.290(f)(2) shall apply.

3) Prepayment and Utilization Review
Prepayment and utilization review requirements shall be in accordance with Section 148.240.

k) Cost Reporting Requirements
Cost reporting requirements shall be in accordance with Section 148.210.

(Source: Emergency amendment at 20 Ill. Reg. **9281**, effective JUL 1 1996, for a maximum of 150 days)

Section 148.285 Excellence in Academic Medicine Payments

EMERGENCY

In accordance with House Bill 22, payments for certain hospitals providing graduate medical education shall be made for inpatient admissions occurring on or after July 1, 1996, as follows:

1) Subject to the availability of funds from the accounts within Medical Research and Development Fund as defined in House Bill 22, including any federal financial participation reimbursed for payments under this subsection (a), payments shall be made to hospitals under the following criteria:

1) Each Qualified Chicago Metropolitan Statistical Area Academic Medical Center Hospital shall receive a percentage of the amount available from the National Institutes of Health Account, equal to that hospital's percentage of the total contracts and grants awarded to that hospital by the National Institutes of Health awarded to Qualified Chicago Metropolitan Statistical Area Academic Medical Center Hospitals and their affiliated medical schools during the preceding research year as reported to the Department of Health and Human Services by the National Institutes of Health.

2) Each Qualified Chicago Metropolitan Statistical Area Academic Medical Center Hospital shall receive a payment from the Philanthropic Medical Research Account equal to 15 percent of all funded grants (other than grants funded by the State of Illinois or the National Institutes of Health) for biomedical research, technology, or programmatic development received by the Qualified Chicago Metropolitan Statistical Area Academic Medical Center

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

Hospital during the preceding calendar year as reported to the Department.

- 2) Each Qualified Chicago Metropolitan Statistical Area Academic Medical Center Hospital shall receive payment from the Medical Research Fund in an amount equal to 10 percent of the funding for the hospital, upon submission of information to the Department.

At least 10 percent of the funding, that is at least \$100,000, for a biomedical research or technology project or a programmatic development project, and

- 3) 10 percent of the funding from the private sector equal to 40 percent of the funding for the project.

No hospital receiving payments from the Medical Research and Development Fund shall receive more than 20 percent of the total amount appropriated to the Fund, except that total payments from the Fund to the primary teaching hospitals affiliated with the Southern Illinois University School of Medicine, considered as a single entity, may not exceed the product of:

- 1) One-sixth of the total amount available for distribution from the Medical Research and Development Fund, and

2) The student of the National Institutes of Health grants of \$100,000 or more awarded to the Southern Illinois University School of Medicine in a previous calendar year divided by 100,000, rounded down to the nearest integer.

- 3) The Southern Illinois University School of Medicine in Springfield and its affiliated primary teaching hospitals located in Springfield considered as a single entity, shall be deemed to be a Qualified Chicago Metropolitan Statistical Area Academic Medical Center Hospital and for the purposes of calculating subsections (a) and (b), payments under subsections (a) and (b) made to the Southern Illinois University School of Medicine and its affiliated primary teaching hospitals in Springfield shall be made to, and divided equally between, the primary teaching hospitals in Springfield.

Subject to the availability of funds from the Post-Tertiary Clinical Services Fund, including any federal financial participation reimbursed for payments under this subsection (d), payments shall be made to Qualified Academic Medical Center Hospitals for up to three Qualified Programs in any given year as reported to the Department. Qualified Academic Medical Center Hospitals may receive continued funding for previously funded Qualified Programs rather than receive new funding. Payments may not exceed three (3) percent of the total funding for this subsection shall be used in the funding of the Post-Tertiary Clinical Services Fund to be used in the funding of Qualified Programs.

- 4) Payments from both funds under this Section are made to cover the direct costs associated with providing Medicaid services and shall be made directly to the Academic Medical Center Hospitals due the funds.

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

except any funds due to any primary teaching hospital for the University of Illinois at Rockford and the University of Illinois at Peoria shall be paid to the University of Illinois Hospital, which shall be bound to expend the funds on its affiliated hospitals due the funds.

- 2) No Academic Medical Center Hospital shall be eligible for payments for the Medical Research and Development Fund unless the Academic Medical Center Hospital, in connection with its affiliated medical school, received at least \$5,000,000 in the preceding calendar year in grants or contracts from the National Institutes of Health, except that this subsection does not apply to the entity specified in subsection (c). The date period for payments under this Section shall be made for the 12 month period beginning July 1, 1995. A qualifying hospital's total annual payments from each fund and account described in this Section shall be divided into four equal payments and be made by the later of:
 - 1) the fifteenth working day after July 1, October 1, January 1, and April 1, or
 - 2) the fifteenth working day after the Department's receipt of reporting information required under subsection (b) below.

Payments made under this Section are for inpatient Medicaid services provided in the 12 month period preceding the rate period.

- 3) Hospitals initially identified by the Department as qualifying under any payment criteria of this Section must complete and return a survey, developed by the Department, attesting to information required to calculate payments under this Section. The Department will mail the survey at least 21 days prior to its due date. Failure to complete and submit requested information by the due date established by the Department will result in forfeiture of payments under this Section.

- 4) Definitions

As used in this Section, unless the context requires otherwise:

- 1) "Academic Medical Center Hospital" means a hospital located in Illinois which is either under common ownership with the college of medicine of a college or university, or a free-standing hospital in which the majority of the clinical chiefs of service are department chairmen in an affiliated medical school.

- 2) "Academic Medical Center Children's Hospital" means a children's hospital which is separately incorporated and non-integrated into the Academic Medical Center Hospital, but which is the pediatric partner for an Academic Medical Center Hospital and serves as the primary teaching hospital for pediatrics for its affiliated medical school. Children's hospitals which are separately incorporated but integrated into the Academic Medical Center Hospital, are considered part of the Academic Medical Center Hospital.

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

2) "Chicago Metropolitan Statistical Area Academic Medical Center Hospital" means an Academic Medical Center Hospital located in the Chicago Metropolitan Statistical Area.

3) "Non-Chicago Metropolitan Statistical Area Academic Medical Center Hospital" means an Academic Medical Center Hospital located outside the Chicago Metropolitan Statistical Area.

4) "Qualified Chicago Metropolitan Statistical Area Academic Medical Center Hospital" means a Chicago Metropolitan Statistical Area Academic Medical Center Hospital which is a teaching hospital and has a connection with its affiliated medical school receives in excess of \$9,300,000 in grants or contracts from the National Institutes of Health during the calendar year preceding the beginning of the State fiscal year, except for the purposes of subsection (c) of this Section.

5) "Qualified Non-Chicago Metropolitan Statistical Area Academic Medical Center Hospital" means the primary teaching hospital of the University of Illinois School of Medicine at Peoria, the primary teaching hospital for the University of Illinois School of Medicine at Rockford and the primary teaching hospitals for Southern Illinois University School of Medicine in Springfield.

6) "Qualified Academic Medical Center Hospital" means a Qualified Chicago Metropolitan Statistical Area Academic Medical Center Hospital, a Qualified Non-Chicago Metropolitan Statistical Area Academic Medical Center Hospital or an Academic Medical Center Children's Hospital.

8) "Qualified program" includes:

- A) Thoracic transplantation: heart and lung, in particular,
- B) Cancer: particularly biologic modifiers of tumor response, and mechanisms of drug resistance in cancer therapy.
- C) Shock Burn: development of biological alternatives to skin for treating in burn injury, and research in mechanisms of shock and tissue injury in severe injury.
- D) Abdominal transplantation: kidney, liver, pancreas, and development of islet cell and small bowel transplantation technologies.
- E) Minimally invasive surgery: particularly laparoscopic surgery.
- F) Telemedicine: medical computing, telemedicine and telemedicine.
- G) Transcatheter laser revascularization: a laser creates holes in heart muscles to allow new blood flow.
- H) Pet scanning: viewing how organs function (CT and MRI only allow viewing of the structure of an organ).

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

1) Strokes in the African-American community: particularly risk factors for cerebral vascular accident (strokes) in the African-American community at much higher risk than the general population.

2) Neurosurgery: particularly focusing on interventional neurosurgery.

3) Comprehensive eye center: including further development in pediatric eye trauma.

4) Cancer: particularly melanoma, head and neck,

pediatric cancer,

radiative pediatric cardiology, and

pediatric vascular interventional transplantation of solid organs and heart and other stem cells.

9281

(Source: Emergency amendment at 20 Ill. Reg. _____, effective _____, for a maximum of 150 days)

JUL 1 1996

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

1) Heading of the Part: Long Term Care Reimbursement Changes

2) Code Citation: 89 Ill. Adm. Code 153

3) Section Numbers:
153.100 Emergency Action:
153.101 Repeal:
153.125 New Section

4) Statutory Authority: Section 12-13 of the Illinois Public Aid Code [305 ILCS 5.12-13]

5) Effective Date of Amendments: July 1, 1996

6) If these Emergency Amendments are to expire before the end of the 150-day period, please specify the date on which it is to expire: Not Applicable

7) Date Filed in Agency's Principal Office: July 1, 1996

8) Reason for Emergency: These emergency amendments are being filed pursuant to the Governor's fiscal year 1997 budget plan and the enactment of the State's Amendment 1 by the Legislature. Emergency rulemaking is specifically authorized for the Department of Public Aid by the State's Budget Initiatives for fiscal year 1997 by Public Act 89-499.

9) Complete Description of the Subjects and Issues Involved: These emergency amendments are necessary to implement the State's fiscal year 1997 budget plan. For services provided from July 1, 1996, through December 31, 1996, the Department will continue reimbursement levels which were in effect on July 1, 1995, with no update for inflation for nursing facilities and intermediate care facilities for persons with developmental disabilities. For services provided on or after January 1, 1997, the rates in effect on July 1, 1996, including nursing facility rates paid for exceptional care, will be increased by 6.8 percent. For day training services provided on or after July 1, 1996, rates will be increased by three percent. Additionally, for services provided on or after July 1, 1996, long term care facilities which are located in an area which has changed geographic designation due to unique labor force factors shall have rates determined based upon the ceilings and norms of the newly designated geographic area. These amendments are being filed in 89 Ill. Adm. Code 153.100 regarding these geographic designation changes. These changes are expected to result in an increase in annual aggregate expenditures of approximately \$18.1 million. The anticipated increase in spending for nursing facilities and day training is \$36.9 million for ICR/MR facilities and day training, \$11 million for geographic classification changes, \$155,000.

10) Are there any Proposed Amendments pending to this Part? No

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

11) Statement of Statewide Policy Objectives: These emergency amendments do not affect units of local government.

12) Information and questions regarding these Emergency Amendments shall be directed to:

Joanne Jones
Bureau of Rules and Regulations
Illinois Department of Public Aid
100 South Grand Avenue East, Third Floor
Springfield, IL 62762
(217) 524-0081

The full text of the Emergency Amendments begins on the next page:

DEPARTMENT OF PUBLIC AID
NOTICE OF EMERGENCY AMENDMENTS

- 1) **Heading of the Part:** Medical Payment
- 2) **Code Citation:** 89 Ill. Adm. Code 140
- 3) **Section Numbers:**
 - Emergency Action:
 - 140.40 Amendment
 - 140.44 Amendment
 - 140.55 Amendment
 - 140.56 Amendment
 - 140.561 Amendment
 - 140.578 Amendment
- 4) **Statutory Authority:** Section 12-13 of the Illinois Public Aid Code [205 ICS 5/12-13]
- 5) **Effective Date of Amendments:** July 1, 1996
- 6) **If these Emergency Amendments are to expire before the end of the 180-day period, please specify the date on which it is to expire:** Not Applicable
- 7) **Date Filed in Agency's Principal Office:** July 1, 1996
- 8) **Reason for Emergency:** These emergency amendments are being filed pursuant to the Governor's fiscal year 1997 budget plan and the enactment of the State's budget by the Legislature. Emergency rulemaking is specifically authorized for the implementation of the State's budget initiatives for fiscal year 1997 by Public Act 89-199.
- 9) **Complete Description of the Subjects and Issues Involved:** These emergency amendments concerning several of the Department's reimbursement methodologies for services under the Medical Assistance Program are being filed in conjunction with the State's budget plan for fiscal year 1997.

In Section 140.80, the amendments allow for a reduction in the annual assessment imposed upon each hospital provider by an amount equal to approximately one-fourth of the assessment imposed during fiscal year 1996. These changes are being made in response to concerns expressed by providers of health services that the appropriation to the General Revenue Fund will be utilized to provide full hospital funding.

In Section 140.84, changes are being made regarding State facilities operated by, or under, the authority of the Illinois Department of Veterans Affairs. The Nursing Home Care Act has been amended to define such entities as facilities which are subject to the nursing home licensing regulations of the Illinois Department of Public Health. Because of this, Section 140.84 is being amended to specifically exclude veterans' facilities from assessments imposed upon nursing facilities that are not State operated. These amendments are not expected to result in any

DEPARTMENT OF PUBLIC AID
NOTICE OF EMERGENCY AMENDMENTS

budgetary changes.

Emergency revisions to Sections 140.555, 140.560, 140.561 and 140.578 change the term Health Service Area (HSA) to "geographic area." These changes are being made in conjunction with related amendments to 89 Ill. Adm. Code 140.135, 140.136, 140.137, 140.138, 140.139, 140.140, 140.141, 140.142, 140.143, 140.144, 140.145, 140.146, 140.147, 140.148, 140.149, 140.150, 140.151, 140.152, 140.153, 140.154, 140.155, 140.156, 140.157, 140.158, 140.159, 140.160, 140.161, 140.162, 140.163, 140.164, 140.165, 140.166, 140.167, 140.168, 140.169, 140.170, 140.171, 140.172, 140.173, 140.174, 140.175, 140.176, 140.177, 140.178, 140.179, 140.180, 140.181, 140.182, 140.183, 140.184, 140.185, 140.186, 140.187, 140.188, 140.189, 140.190, 140.191, 140.192, 140.193, 140.194, 140.195, 140.196, 140.197, 140.198, 140.199, 140.200, 140.201, 140.202, 140.203, 140.204, 140.205, 140.206, 140.207, 140.208, 140.209, 140.210, 140.211, 140.212, 140.213, 140.214, 140.215, 140.216, 140.217, 140.218, 140.219, 140.220, 140.221, 140.222, 140.223, 140.224, 140.225, 140.226, 140.227, 140.228, 140.229, 140.230, 140.231, 140.232, 140.233, 140.234, 140.235, 140.236, 140.237, 140.238, 140.239, 140.240, 140.241, 140.242, 140.243, 140.244, 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140.800, 140.801, 140.802, 140.803, 140.804, 140.805, 140.806, 140.807, 140.808, 140.809, 140.810, 140.811, 140.812, 140.813, 140.814, 140.815, 140.816, 140.817, 140.818, 140.819, 140.820, 140.821, 140.822, 140.823, 140.824, 140.825, 140.826, 140.827, 140.828, 140.829, 140.830, 140.831, 140.832, 140.833, 140.834, 140.835, 140.836, 140.837, 140.838, 140.839, 140.840, 140.841, 140.842, 140.843, 140.844, 140.845, 140.846, 140.847, 140.848, 140.849, 140.850, 140.851, 140.852, 140.853, 140.854, 140.855, 140.856, 140.857, 140.858, 140.859, 140.860, 140.861, 140.862, 140.863, 140.864, 140.865, 140.866, 140.867, 140.868, 140.869, 140.870, 140.871, 140.872, 140.873, 140.874, 140.875, 140.876, 140.877, 140.878, 140.879, 140.880, 140.881, 140.882, 140.883, 140.884, 140.885, 140.886, 140.887, 140.888, 140.889, 140.890, 140.891, 140.892, 140.893, 140.894, 140.895, 140.896, 140.897, 140.898, 140.899, 140.900, 140.901, 140.902, 140.903, 140.904, 140.905, 140.906, 140.907, 140.908, 140.909, 140.910, 140.911, 140.912, 140.913, 140.914, 140.915, 140.916, 140.917, 140.918, 140.919, 140.920, 140.921, 140.922, 140.923, 140.924, 140.925, 140.926, 140.927, 140.928, 140.929, 140.930, 140.931, 140.932, 140.933, 140.934, 140.935, 140.936, 140.937, 140.938, 140.939, 140.940, 140.941, 140.942, 140.943, 140.944, 140.945, 140.946, 140.947, 140.948, 140.949, 140.950, 140.951, 140.952, 140.953, 140.954, 140.955, 140.956, 140.957, 140.958, 140.959, 140.960, 140.961, 140.962, 140.963, 140.964, 140.965, 140.966, 140.967, 140.968, 140.969, 140.970, 140.971, 140.972, 140.973, 140.974, 140.975, 140.976, 140.977, 140.978, 140.979, 140.980, 140.981, 140.982, 140.983, 140.984, 140.985, 140.986, 140.987, 140.988, 140.989, 140.990, 140.991, 140.992, 140.993, 140.994, 140.995, 140.996, 140.997, 140.998, 140.999, 140.1000.

- 10) **Are there any Proposed Amendments pending to this Part?** Yes
- Sections** **Proposed Action** **Illinois Register Citation**
 - 140.7 Amendment August 25, 1995 (19 Ill. Reg. 12210)
 - 140.9 Amendment August 25, 1995 (19 Ill. Reg. 12210)
 - 140.339 Amendment April 12, 1996 (20 Ill. Reg. 345)
- 11) **Statement of Statewide Policy Objectives:** These emergency amendments do not affect units of local government.
- 12) **Information and Questions regarding these Emergency Amendments shall be directed to:**

Name: Joanne Jones
Address: Bureau of Rules and Regulations
Illinois Department of Public Aid
100 South Grand Avenue East, Third Floor
Springfield, Illinois 62762
Telephone: (217) 524-0081

The full text of the Emergency Amendments begins on the next page:

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

TITLE 99: SOCIAL SERVICES
CHAPTER 10: DEPARTMENT OF PUBLIC AID
SUBCHAPTER 9: MEDICAL PROGRAMS

PART 140

MEDICAL PAYMENT

SUBPART A: GENERAL PROVISIONS

Section	
140.1	Medical Assistance Programs
140.2	Covered Medical Services Under AFPC-MANG for non-pregnant persons who are 13 years of age or older (Repealed)
140.3	Covered Medical Services Under AFPC-MANG for General Assistance
140.4	Covered Medical Services Under General Assistance
140.5	Medical Assistance Provided to Individuals Under the Age of Eighteen
140.6	Medical Assistance Provided to Children Under Age Eight
140.7	Medical Assistance Provided to Pregnant Women Who Would Not Be Eligible for AFPC-MANG if the Child Were Already Born or Who Would Not Be Eligible as Mandatory Categorically Needy
140.8	Medical Assistance Provided to Incarcerated Persons
140.9	
140.10	

SUBPART B: MEDICAL PROVIDER PARTICIPATION

Section	
140.11	Enrollment Conditions for Medical Providers
140.12	Participation Requirements for Medical Providers
140.13	Definitions
140.14	Denial of Application to Participate in the Medical Assistance Program
140.15	Recovery of Money
140.16	Termination or Suspension of a Vendor's Eligibility to Participate in the Medical Assistance Program
140.17	Suspension of a Vendor's Eligibility to Participate in the Medical Assistance Program
140.18	Application for Reinstatement or for Reinstatement Subsequent to Termination, Suspension or Barred
140.19	Submission of Claims
140.20	Covered Medical Services for Qualified Medicare Beneficiaries (QMBs)
140.21	Medical Tape Billings
140.22	Payment of Claims
140.23	Payment Procedures
140.24	Overpayment or Underpayment of Claims
140.25	Payment to Factors Prohibited
140.26	

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

140.27	Assignment of Vendor Payments
140.28	Record Requirements for Medical Providers
140.30	Audits
140.31	Emergency Services Audits
140.32	Prohibition on Participation, and Special Permission for Participation
140.33	Publication of List of Terminated, Suspended or Barred Entities
140.35	False Reporting and Other Fraudulent Activities
140.40	Prior Approval for Medical Services or Items
140.41	Prior Approval in Cases of Emergency
140.42	Limitation on Prior Approval
140.43	Cost Approval for Items or Services When Prior Approval Cannot Be Obtained
140.55	Recipient Eligibility Verification (REV) System
140.71	Reimbursement for Medical Services Through the Use of a C-13 Invoice
140.72	Voucher Advance Payment and Expedited Payments
140.73	Drug Manual Updates (Recorded)

SUBPART C: PROVIDER ASSESSMENTS

Section	
140.80	Hospital Provider Fund
140.82	Developmentally Disabled Care Provider Fund
140.84	Long Term Care Provider Fund
140.94	Medicaid Developmentally Disabled Provider Participation Fee Trust Fund
140.95	Medicaid Long Term Care Provider Participation Fee Trust Fund
140.96	General Services Trust Fund
140.97	Special Requirements (Recorded)
140.98	Covered Hospital Services (Recorded)
140.99	Hospital Services Not Covered (Recorded)
140.100	Limitation on Hospital Services (Recorded)
140.101	Transplants (Recorded)
140.102	Heart Transplants (Recorded)
140.103	Liver Transplants (Recorded)
140.104	Bone Marrow Transplants (Recorded)
140.110	Disproportionate Share Hospital Adjustments (Recorded)
140.116	Payment for Inpatient Services for A (Recorded)
140.117	Hospital Outpatient and Clinic Services (Recorded)
140.200	Payment for Hospital Services During Fiscal Year 1982 (Recorded)
140.201	Payment for Hospital Services After June 30, 1982 (Repealed)
140.202	Payment for Hospital Services During Fiscal Year 1983 (Recorded)
140.203	Limitations on Length of Stay or Diagnosis (Recorded)
140.204	Payment for Pre-operative Days and Services Which Can Be Performed in an Outpatient Setting (Recorded)

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

140.479 Limitations, Medical Supplies
 140.480 Equipment Rental Limitations
 140.481 Payment for Medical Equipment, Supplies and Prosthetic Devices
 140.482 Family Planning Services
 140.483 Limitations on Family Planning Services
 140.484 Payment for Family Planning Services
 140.485 Healthy Kids Program
 140.486 Limitations on Medicare Services (Repealed)
 140.487 Healthy Kids Program Time/Inn Standards
 140.488 Periodicity Schedule, Immunizations and Diagnostic Laboratory Procedures
 140.490 Medical Transportation
 140.491 Limitations on Medical Transportation
 140.492 Payment for Medical Transportation
 140.493 Payment for Helicopter Transportation
 140.494 Psychological Services
 140.495 Payment for Psychological Services
 140.496 Hearing Aids
 140.497

SUBPART 2: GROUP CARE

Section
 140.500 Long Term Care Services
 140.502 Cessation of Payment at Federal Direction
 140.503 Cessation of Payment for Improper Level of Care
 140.504 Cessation of Payment Because of Termination of Facility
 140.505 Continuation of Payment Because of Threat To Life (Repealed)
 140.506 Provider Voluntary Withdrawal
 140.507 Continuation of Provider Agreement
 140.508 Determination of Need for Group Care
 140.509 Long Term Care Services Covered by Department Payment
 140.510 Utilization Controls
 140.511 Certification and Plan (Repealed)
 140.514 Management of Recipient Functions of Care
 140.515 Management of Recipient Functions of Care
 140.516 Correspondent Management of Funds
 140.517 Facility Management of Funds
 140.518 Use of Accumulation of Funds
 140.519 Management of Recipient Funds--Local Office Responsibility
 140.520 Room and Board Accounts
 140.521 Reconciliation of Recipient Funds
 140.522 Bed Reserves
 140.523 Cessation of Payment Due to Loss of License
 140.524 Quality Incentive Program - QIPI Payment Levels
 140.525 Quality Incentive Standards and Criteria for the Quality Incentive Program (QIPI) (Repealed)
 140.526 Quality Incentive Survey (Repealed)
 140.527

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

140.528 Payment of Quality Incentive (Repealed)
 140.529 Reviews (Repealed)
 140.530 Basis of Payment for Long Term Care Services
 140.531 General Service Costs
 140.532 Health Care Costs
 140.533 General Administration Costs
 140.534 Ownership Costs
 140.535 Costs for Interest, Taxes and Rent
 140.536 Organization and Operating Costs
 140.537 Payment of Related Organizations
 140.538 Special Costs
 140.539 Nurse's Aide Training and Testing
 140.540 Costs Associated With Nursing Home Care Reform Act and Implementing Regulations
 140.541 Salaries Paid to Owners or Related Parties
 140.542 Cost Reports-Filing Requirements
 140.543 Time Standards for Filing Cost Reports
 140.544 Access to Cost Reports (Repealed)
 140.545 Penalty for Failure to File Cost Reports
 140.550 Update of Operating Costs
 140.551 General Service Costs
 140.552 Nursing and Program Costs
 140.553 General Administrative Costs
 140.554 Component Inflation Index
 140.555 Minimum Wage
 140.556 Components of the Base Rate Determination
 140.557 Support Costs Components
 140.558 Nursing Costs
 140.559 Capital Costs
 140.563 Koshier Kitchen Reimbursement
 140.565 Out-of-State Placement
 140.566 Level II Incentive Payments (Repealed)
 140.568 Duration of Incentive Payments (Repealed)
 140.569 Clients with Exceptional Care Needs
 140.570 Capital Rate Component Determination
 140.571 Capital Rate Calculation
 140.572 Total Capital Rate
 140.573 Other Capital Provisions
 140.574 Capital Rates for Rented Facilities
 140.575 Newly Constructed Facilities (Repealed)
 140.576 Rebuilt or Renovated Facilities (Repealed)
 140.577 Capital Costs for Rented Facilities (Renumbered)
 140.578 Property Taxes
 140.579 Specialized Living Centers

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

140.580 Mandated Capital Improvements (Repealed)
 140.581 Qualifying as Mandated Capital Improvement (Repealed)
 140.582 Cost Adjustments
 140.583 Campus Facilities
 140.584 Illinois Municipal Retirement Fund (IMRF)
 140.590 Audit and Record Requirements
 140.592 Screening Assessment for Long Term Care and Alternative Residential
 140.642 Referrals and Services
 140.643 Welfare and Community Based Services Waivers for Medically Fragile,
 140.645 Homebound and Community Based Services Under Age 21
 140.646 Reimbursement for Developmental Training (DT) Services for
 Individuals with Developmental Disabilities Who Reside in Long Term
 Care (ICF AND SNF) and Residential (ICF MR) Facilities
 140.647 Description of Developmental Training (DT) Services
 140.648 Determination of the Amount of Reimbursement for Developmental
 Training (DT) Programs
 140.649 Effective Dates of Reimbursement for Developmental Training (DT)
 Programs
 140.650 Certification of Developmental Training (DT) Programs
 140.651 Decertification of Day Programs
 140.652 Terms of Assurances and Contracts
 140.653 Effective Date of Payment Rate
 140.654 Discharge of Long Term Care Residents
 140.655 Appeals of Discharge Determinations
 140.656 Determination of Cap on Payments for Long Term Care (Repealed)

SUBPART F: MEDICAL PARTNERSHIP PROGRAM

Section
 140.650 General Description (Repealed)
 140.651 Definition of Terms (Repealed)
 140.652 Covered Services (Repealed)
 140.653 Sponsor Qualifications (Repealed)
 140.654 Sponsor Responsibilities (Repealed)
 140.655 Department Responsibilities (Repealed)
 140.656 Provider Qualifications (Repealed)
 140.657 Provider Responsibilities (Repealed)
 140.658 Payment Methodologies (Repealed)
 140.659 Contract Monitoring (Repealed)
 140.656 Reimbursement for Nursing Costs (Active Treatment) For Clients In
 Long Term Care Facilities For the Developmentally Disabled
 (Repealed)

SUBPART G: MATERNAL AND CHILD HEALTH PROGRAM

Section
 140.900 Reimbursement For Nursing Costs For Geriatric Residents in Group Care

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

Facilities (Repealed)
 140.901 Functional Areas of Needs (Repealed)
 140.902 Service Needs (Repealed)
 140.903 Definitions (Repealed)
 140.904 Times and Staff Levels (Repealed)
 140.905 Structural Changes (Repealed)
 140.906 Reconsiderations (Repealed)
 140.907 Midnight Census Report (Repealed)
 140.908 Times and Staff Levels (Repealed)
 140.909 Statewide Rates (Repealed)
 140.910 Referrals (Repealed)
 140.911 Basic Rehabilitation Aide Training Program (Repealed)
 140.912 Interim Nursing Rates (Repealed)
 140.920 General Description
 140.922 Covered Services
 140.926 Maternal and Child Health Provider Participation Requirements
 140.928 Client Eligibility (Repealed)
 140.928 Client Enrollment and Program Components (Repealed)
 140.930 Reimbursement
 140.932 Payment Authorization for Referrals (Repealed)

SUBPART H: ILLINOIS COMPETITIVE ACCESS AND REIMBURSEMENT
EQUITY (ICARE) PROGRAM

Section
 140.940 Illinois Competitive Access and Reimbursement Equity (ICARE) Program
 (Repealed)
 140.942 Definition of Terms (Repealed)
 140.944 Notification of Negotiations (Repealed)
 140.946 Hospital Participation in ICARE Program Negotiations (Repealed)
 140.948 Negotiation Procedures (Repealed)
 140.950 Factors Considered in Awarding ICARE Contracts (Repealed)
 140.952 Closing an ICARE Area (Repealed)
 140.954 Administrative Review (Repealed)
 140.956 Payments to Contracting Hospitals (Repealed)
 140.958 Admitting and Clinical Privileges (Repealed)
 140.960 Limiting Hospital Care or Services by Non-Contracting Hospitals
 140.962 Eligible for Hospital Care or Services by Non-Contracting Hospitals
 under the ICARE Program (Repealed)
 140.964 Contract Monitoring (Repealed)
 140.966 Transfer of Recipients (Repealed)
 140.968 Validity of Contracts (Repealed)
 140.970 Termination of ICARE Contracts (Repealed)
 140.972 Hospital Services Procurement Advisory Board (Repealed)

TABLE A
Medicare Recommended Screening Procedures (Repealed)TABLE B
Health Service Areas

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

maximum of 150 days; amended at 17 Ill. Reg. 1871, effective October 8, 1993; emergency amendment at 17 Ill. Reg. 1861, effective October 1, 1993, for a maximum of 150 days; emergency amendment at 17 Ill. Reg. 1861, effective October 12, 1993; amended at 17 Ill. Reg. 2099, effective November 4, 1993; emergency amendment repealed at 17 Ill. Reg. 2159, effective December 20, 1993; emergency amendment Reg. 1620, effective February 78, 1994; amended at 18 Ill. Reg. 2520, effective March 4, 1994; amended at 18 Ill. Reg. 591, effective April 1, 1994; emergency amendment at 18 Ill. Reg. 1322, effective July 1, 1994, for a maximum of 150 days; emergency amendment suspended, effective November 15, 1994; emergency amendment repealed at 19 Ill. Reg. 5893, effective April 4, 1995; amended at 18 Ill. Reg. 1426, effective July 1, 1994; amended at 18 Ill. Reg. 16675, effective November 1, 1994; amended at 19 Ill. Reg. 18059, effective December 19, 1994; amended at 19 Ill. Reg. 1982, effective January 20, 1995; amended at 19 Ill. Reg. 2333, effective March 1, 1995; emergency amendment at 19 Ill. Reg. 3529, effective March 1, 1995, for a maximum of 150 days; amended at 19 Ill. Reg. 5663, effective March 1, 1995; amended at 19 Ill. Reg. 7919, effective June 5, 1995; emergency amendment at 19 Ill. Reg. 8357, effective June 9, 1995, for a maximum of 150 days; emergency amendment at 19 Ill. Reg. 8357, effective July 1, 1995, for a maximum of 150 days; emergency amendment at 19 Ill. Reg. 10376, effective July 1, 1995, for a maximum of 150 days; amended at 19 Ill. Reg. 11575, effective effective September 5, 1995; amended at 19 Ill. Reg. 11440, effective September 5, 1995; amended at 19 Ill. Reg. 15622, effective November 6, 1995; amended at 19 Ill. Reg. 16877, effective November 28, 1995; amended at 20 Ill. Reg. 1210, effective December 29, 1995; amended at 20 Ill. Reg. 4345, effective March 4, 1996; amended at 20 Ill. Reg. 5858, effective April 5, 1996; amended at 20 Ill. Reg. 6225, effective May 6, 1996; amended at 20 Ill. Reg. 7922, effective May 31, 1996; emergency amendment at 20 Ill. Reg. **8312**, effective July 1, 1996, for a maximum of 150 days; amended at 20 Ill. Reg. _____, effective _____, amended at 20 Ill. Reg. _____, effective _____.

SUBPART C: PROVIDER ASSESSMENTS

Section 140.80 Hospital Provider Fund

EMERGENCY

a) Purpose and Contents

1) The Hospital Provider Fund ("Fund") was created in the State Treasury upon enactment of Public Act 87-861, Public Act 88-88, and Public Act 89-21 and Public Act 89-49. Interest earned by the Fund shall be credited to the Fund. The Fund shall not be used to replace any funds appropriated to the Medicaid program by the General Assembly.

2) The Fund is created for the purpose of receiving and disbursing monies in accordance with this Section and Public Act 87-861, as amended by Public Act 88-882, and Public Act 89-21 and Public Act

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

89-199.

- 3) The Fund shall consist of:
 - A) All monies collected or received by the Department under subsection (b) below;
 - B) All Federal matching funds received by the Department as a result of expenditures made by the Department that are attributable to monies deposited in the Fund;
 - C) Any interest or penalty levied in conjunction with the administration of the Fund;
 - D) All other monies received for the Fund from any other source, including interest earned thereon;
 - E) All monies transferred from the Hospital Services Trust Fund; and
 - F) All monies transferred from the Tobacco Products Tax Act.
- b) Provider Assessments
 - Effective July 1, 1994, through June 30, 1996, an annual assessment is imposed upon each hospital provider in an amount equal to the provider's adjusted gross hospital revenue, as described in subsection (1)(1) of this Section, for the most recent calendar year ending before the beginning of that fiscal year, multiplied by a Provider's Savings Rate. Effective July 1, 1996, through March 31, 1997, an assessment is imposed in an amount equal to three-fourths of the Provider's adjusted gross hospital revenue for calendar year 1995 multiplied by the Provider's Savings Rate.
 - 1) Effective July 1, 1994, through June 30, 1995, the Provider's Savings Rate is obtained by multiplying 1.88 percent by a fraction the numerator of which is the Maximum Section 5A-2 Contribution minus the Cigarette Tax Contribution, and the denominator of which is the Maximum Section 5-2 Contribution (see subsections (1)(2), (3) and (4) of this Section), 1997.
 - 2) Effective July 1, 1995, through March 31, 1997, the Provider's Savings Rate is obtained by multiplying 1.25 percent by the fraction described in subsection (b)(1) above, 1.25 percent.
 - 3) The Department reserves the right to audit the reported data. The Department shall notify hospital providers of the Provider's Savings Rate by mailing a notice to each provider's last known address as reflected by the records of the Department.
- c) Payment of Assessment Due
 - 1) The assessments imposed in subsection (b) above shall be due and payable in quarterly installments, each equaling one-fourth of the assessment for the year, on September 30, December 31, March 31, and May 31 of the year, modified to accommodate weekends and holidays, except that for fiscal year 1997 July 1, 1996 through June 30, 1997, the assessment imposed shall be due and payable in quarterly installments on September 30, December 31 and March 31.
 - 2) The assessments shall be collected, in writing, of the quarterly due dates. Assessment payments postmarked on the due date will be considered as paid on time.

DEPARTMENT OF PUBLIC AID

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

NOTICE OF EMERGENCY AMENDMENTS

2) All payments received by the Department shall be credited first to unpaid installment amounts (rather than to penalty or interest), beginning with the most delinquent installments.

d) Reporting Requirements, Penalty, and Maintenance of Records.

1) After December 31 of each year, and on or before March 31 of the succeeding year, every hospital provider subject to an assessment shall submit a report to the Department of Public Health, Department of Public Aid, in a form prepared by the Department. The report shall include the adjusted gross hospital revenue from the calendar year just ended and shall be utilized by the Department to calculate the assessment for the State fiscal year commencing on the next July 1. If a hospital provider conducts, operates, or maintains more than one hospital licensed by the Illinois Department of Public Health, a separate report shall be filed for each hospital. In the case of a hospital provider acting as a corporation or legal entity other than an individual, the report filed by it shall be signed by its president, vice-president, secretary, or treasurer or by its properly authorized agent.

2) If the hospital provider fails to file its report for a State fiscal year in or before the due date of the report, there shall be, unless waived by the Department for reasonable cause, added to the assessment imposed under subsection (b) above a penalty assessment equal to 45 percent of the assessment imposed for the year.

3) Every hospital provider subject to an assessment under subsection (b) above shall keep records and books that will permit the determination of adjusted gross hospital revenue on a calendar year basis. All such books and records shall be maintained for a minimum of three years following the filing date of the assessment report and shall, at all times during business hours of the day, be subject to inspection by the Department or its duly authorized agents and employees.

4) Amended Assessment Reports. With the exception of amended assessment reports filed in accordance with subsection (d)(5) or (6) below, an amended assessment report must be filed within 30 calendar days of the original report due date. The amended report must be accompanied by a letter identifying the changes made. The letter shall be signed by the provider, and the provider shall pay the assessment due on the date computed by the Department in such installments on the regular installment due dates for the State fiscal year commencing after the date of the initial assessment determination. In determining the annual assessment amount for the provider, the Department shall develop hypothetical unrealized revenue projections based upon geographic location, facility size and patient case mix. The assessment determination made by the Department is final.

Penalties may be applied to the amount underpaid due to a filing error.

5) Submission of Financial Audit Statements. All hospital providers are required to submit a copy of all financial statements audited by an external, independent auditor, to the Department within 30 days after the close of such externally performed financial audits. If the hospital's year end does not coincide with the

December 31 ending date for the assessment report, the hospital must submit all financial audits covering the assessment report period. An amended assessment report must accompany such external financial audit statements if the data submitted on the initial assessment report changes based upon the findings of such external financial audits and as indicated in the audited amount underpaid due to a filing error. Penalties may be applied to the amount underpaid due to a filing error.

6) Reconsideration of Adjusted Tax. If the Department, through an audit conducted by the Department or its agent within three years after the end of the fiscal year in which the assessment was filed, changes the assessment liability of a hospital provider, the hospital provider may request a review or reconsideration of the adjusted assessment within 30 days after the Department's notification of the change in assessment liability. Requests for reconsideration of the assessment adjustment shall not be considered if such requests are not postmarked on or before the end of the 30 day review period. Penalties may be applied to the amount underpaid due to a filing error.

e) Procedure for Partial Year Reporting/Operating Adjustments

1) Cessation of Business during the fiscal year in which the hospital provider ceases to conduct business at the hospital for which the person is subject to assessment under subsection (b) above, or the person ceases to operate the hospital for which the person is subject to assessment under subsection (b) above, shall be adjusted by multiplying the assessment computed under subsection (d) by a fraction, the numerator of which is the number of days in the year during which the provider conducts, operates, or maintains the hospital and the denominator of which is 365. The person shall file a final, amended report with the Department not more than 30 calendar days after the cessation, reflecting the adjustment, and shall pay with the final return the assessment for the year as so adjusted, to the extent not previously paid.

2) Commencing of business during the fiscal year in which the assessment is being paid. A hospital provider who commences conducting, operating, or maintaining a hospital for which the person is subject to assessment under subsection (b) above, shall file an initial report for the State fiscal year in which the person commences business, reflecting the assessment computed by the Department in such installments on the regular installment due dates for the State fiscal year commencing after the date of the initial assessment determination. In determining the annual assessment amount for the provider, the Department shall develop hypothetical unrealized revenue projections based upon geographic location, facility size and patient case mix. The assessment determination made by the Department is final.

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

- 3) Partial Calendar Year Operation Adjustment. For a hospital provider that did not conduct, operate, or maintain a hospital throughout the entire calendar year reporting period, the assessment for the following State fiscal year shall be annualized based on the provider's actual revenues for the portion of the reporting period the hospital was operational (dividing adjusted gross hospital revenue by the number of days the hospital was in operation and then multiplying the amount by 365). Revenues realized by a prior provider from the same hospital during the calendar year shall be used in the annualization equation, if available.
- 4) Change in Ownership and/or Operators. The full quarterly assessment must be paid on the designated dates regardless of assessment year. The provider is responsible for the payment of the assessment, including the interest and penalty, and any interest or penalties that may have accrued against the hospital, regardless if these amounts were incurred by the current owner or were incurred by previous providers. Collection of delinquent assessment fees from previous providers will be made against the current provider. Failure of the current provider to pay any outstanding assessment liabilities incurred by previous providers shall result in the application of penalties described in subsection (f)(1) of this Section.

f) Penalties

- 1) Any hospital that fails to pay the full amount of an installment when due shall be charged, unless waived by the Department for reasonable cause, a penalty equal to five percent of the amount of the installment not paid on or before the due date, plus five percent of the portion thereof remaining unpaid on the last day of each month thereafter, not to exceed 100 percent of the installment amount, on or before the due date. The Department may begin recovery actions against delinquent hospitals participating in the Medicaid Program. Payments may be withheld from the hospital until the entire assessment, including any penalties, is satisfied or until a reasonable repayment schedule has been approved by the Department. If a reasonable agreement cannot be reached or if a hospital fails to comply with an agreement, the Department reserves the right to recover any outstanding provider assessment, interest and penalty by recouping the amount or a portion thereof from the hospital's future payments from the Department. The provider may appeal this recoupment in accordance with Department rules contained in 89 Ill. Adm. Code 134. The Department has the right to continue recoupment during the appeal process. Penalties pursuant to subsection (f)(1) shall continue to accrue during the recoupment process. Recoupment proceedings against the same hospital two times in a

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

- fiscal year may be cause for termination from the Program. Failure of the Department to initiate delinquent recoupment activities within 30 days shall not constitute a bar to the Department's ability to shut down the hospital's participation in the Program. The Department shall not preclude the Department from taking action at a later date.
- 3) If the hospital does not participate in the Medicaid program, or is no longer doing business with the Department, or the Department cannot recover the full amount due through the claims processing system, within three months after the fee due date, the Department may bring legal action to recover the monies, including penalties and interest owed, plus court costs.

- g) Delayed Payment - Groups of Hospitals
The Director may establish delayed payment of assessments and/or waive the payment of interest and penalties for groups of hospitals such as disproportionate share hospitals or all other hospitals when:

- 1) the State delays payments to hospitals due to problems related to State cash flow;
- 2) a cash flow condition, or any other group financing plan, precludes such providers from making timely payments. Disincentives, such as providing significant numbers of hospitals will be unable to obtain a loan to pay the assessment.

- b) Delayed Payment - Individual Hospitals
In addition to the provisions of subsection (g) above, the Director may delay assessments for individual hospitals that are unable to make timely payments under this Section due to financial difficulties. No delayed payment arrangements shall extend beyond the last business day of the calendar quarter following the quarter in which the assessment was to have been received by the Department as described in subsection (c) above.

- 1) Criteria. Delayed payment provisions may be instituted only under extraordinary circumstances. Delayed payment provisions may be made only to qualified hospitals who meet all of the following requirements:

- A) the provider has experienced an emergency which necessitates institution of delayed payment provisions. Emergency in this instance is defined as a circumstance under which the hospital's system and financial condition described in subsections (c)(1), (c)(2), (f)(1) and (f)(2) above would impose severe and irreparable harm to the clients served. Circumstances which may create such emergencies include, but are not limited to, the following:

- i) Computer system errors (either automated system or clerical) which have precluded payments, or which have caused erroneous payments such that the provider's ability to provide further services to clients is severely impaired;
- ii) cash flow problems encountered by a provider which are unrelated to Department technical system problems and

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

which result in extensive financial problems to a facility, adversely impacting on its ability to serve its clients.

B) the provider serves a significant number of clients under the medical assistance program. "Significant" in this instance means:

i) a hospital that serves a significant number of clients under the medical assistance program; significant in this instance means that the hospital's liabilities as a direct payor to the State are \$50,000 or more, as determined by the Department of Public Aid, pursuant to Code 18.12(a)(1) through 18.12(a)(5); or qualifies as a Medicare DSH hospital under the current federal guidelines.

ii) a government-owned facility, which meets the cash flow criterion under subsection (h)(1)(A)(ii) above.

iii) a hospital which has filed for Chapter 11 bankruptcy, which meets the cash flow criteria under subsection (h)(1)(A)(ii) above.

C) the provider must file a delay of payment request as defined under subsection (a)(3)(A) below, and the request must include a Cash Position Statement which is based upon current assets, current liabilities and other data for a date which is less than 60 days prior to the date of filing. Any liabilities payable to owners or related parties must not be reported as current liabilities on the Cash Position Statement. The following criteria must be met by the provider in order for the delay of payment request to be denied:

i) the ratio of current assets divided by current liabilities is greater than 2.0.

ii) cash, short-term investments and long-term investments equal or exceed the total of accrued wages payable and the assessment payment. Long-term investments which are unavailable for expenditure for current operations due to donor restrictions or contractual requirements will not be used in this calculation.

D) the provider must show evidence of denial of an application to borrow assessment funds through a cash flow bond pool or financial institutions such as a commercial bank. The denial must be 30 days or less.

E) the provider must sign an agreement with the Department which specifies the terms and conditions of the delayed payment provisions. The agreement shall contain the following provisions:

i) specific reason(s) for institution of the delayed payment provisions;

ii) the amount of payment which must be received on each specific date described;

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

iii) the interest or a statement of interest waiver as described in subsection (h)(5) below that shall be due from the provider as a result of institution of the delayed payment provisions;

iv) a certification stating that, should the entity be sold, the new owners will be made aware of the liability and any agreement selling the entity will include provisions that the new owners will assume the liability of the entity's delayed payment to the Department according to the original agreement; to the Department

v) a certification stating that all information submitted to the Department in support of the delayed payment request is true and accurate to the best of the signatory's knowledge; and

vi) such other terms and conditions that may be required by the Department.

2) A hospital which does not meet the above criteria may request a delayed payment schedule and/or the waiver of interest and penalties. The Director may approve the request, notwithstanding the hospital not meeting the above criteria, upon a sufficient showing of financial difficulties and good cause by the hospital. If the request for a delayed payment schedule and/or waiver of interest and penalties is approved, all other conditions of this subsection (b) shall apply.

3) Approval of a delayed payment request shall require the following:

A) request to receive consideration for delayed payment provisions. Providers must submit their request in writing (selex requests are acceptable). The request must be received by the date designated by the Department. Providers will be notified, in writing, as to the due dates for submitting delay of payment requests. Requests must be complete and contain all required information before they are considered to have met the time requirements for filing a delayed payment request. All delayed requests must be followed up with original written requests, postmarked no later than the date of the request. The request must include:

i) an explanation of the circumstances creating the need for the delayed payment provisions;

ii) supportive documentation to substantiate the emergency nature of the request including a cash position statement and a certification of the need for the request. Section, a denial of application to borrow the assessment as defined in subsection (h)(1)(D) of this Act.

Section and an explanation of the risk of irreparable harm to the clients; and

iii) specification of the specific arrangements requested by the provider.

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

B) The hospital shall be notified by the Department, in writing prior to the assessment due date, of the Department's decision with regard to the request for institution of delayed payment provisions. If the request is approved, the provider for all services covered by the agreement shall be issued by the Department a notice of assessment. The assessment shall be signed by the administrator, owner, chief executive officer or other authorized representative and be received by the Department prior to the first scheduled payment date listed in such agreement.

4) Waiver of Penalties. The penalties described in subsections (f)(1) and (f)(2) of this Section may be waived upon approval of the provider's request for institution of delayed payment provisions. In the event a provider's request for institution of delayed payment provisions is approved and the Department has received the signed agreement in accordance with subsection (h)(3)(B) above, such penalties shall be permanently waived for the subject quarter unless the provider fails to meet all of the terms and conditions of the agreement. In the event the provider fails to meet all of the terms and conditions of the agreement, the agreement shall be considered null and void and such penalties shall be fully reinstated.

5) Interest. The delayed payment shall include interest at a rate not to exceed the State of Illinois borrowing rate. The applicable interest rate shall be identified in the agreement described in subsection (h)(1)(E) above. The interest may be waived by the Director if the facility's current ratio, as described in subsection (h)(1)(C) above, is 1.5 or less and the hospital meets the criteria in subsections (h)(1)(A) and (B) above. Any such waivers granted shall be expressly identified in the agreement described in subsection (h)(1)(E) above.

6) Subsequent Delayed Payment Arrangements. Once a provider has requested and received approval for delayed payment arrangements, the provider shall not receive approval for subsequent delayed payment arrangements until such time as the terms and conditions of any current delayed payment agreement have been satisfied or unless the provider is in full compliance with the terms of the current delayed payment agreement. The waiver of penalties described in subsection (h)(3)(B) shall not apply to a provider that has not satisfied the terms and conditions of any current delayed payment agreement.

1) Administration and Enforcement Provisions. Pursuant to Section 5A-7 of P.A. 96-861, to the extent practicable, the Department shall administer and enforce P.A. 96-861, P.A. 98-884, and P.A. 99-21 and Public Act 89-493, and collect the assessments, interest, and penalty assessments imposed under the law, using procedures employed in its administration of this Code generally and, as it deems appropriate, in a manner similar to that in which the Department of Revenue administrators and collects the retailers'

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

Occupation tax under the Retailers' Occupation Tax Act ("ROTA").

3) Exemptions

- 1) A rural hospital, as defined in subsection (1)(11) below, shall be exempt from the assessment imposed under subsection (b), unless the exemption is adjudged to be unconstitutional or otherwise invalid, in which case the provider shall pay the assessment imposed under subsection (b) above.
- 2) A hospital provider which:
 - a) has a population of more than 3,000,000 that takes intergovernmental transfer payments as provided in Section 15-3 of P.A. 87-961, as amended by P.A. 88-93, P.A. 88-98 and P.A. 89-21, shall be exempt from the assessment imposed by subsection (b) above, unless the exemption is adjudged to be unconstitutional or otherwise invalid, in which case the hospital shall pay the assessment imposed by subsection (b) above for all assessment periods beginning on or after July 1, 1992, and the assessment so paid shall be creditable against the intergovernmental transfer payments.
 - 3) The Department is authorized to enter into an interagency agreement with a hospital organized under the University of Illinois Hospital Act and exempt from the assessment imposed under subsection (b) of this Section, to make intergovernmental transfer payments to be deposited into the University of Illinois Public Account under P.A. 88-981, as amended by P.A. 88-93, P.A. 88-98 and P.A. 89-21, enter into agreements with publicly owned or operated hospitals not described in subsections (1)(1) through (1)(3) above to make intergovernmental transfer payments to the Department. These payments shall be deposited into the Hospital Provider Fund.
 - 5) Facilities Operated by the Department of Mental Health and Developmental Disabilities shall be exempt from the assessment imposed by subsection (b) above.
 - 6) Nothing in Public Act 89-493 may be construed to prevent the Department from collecting all amounts due under this Section pursuant to an assessment imposed before the effective date of P.A. 89-493 99-21.

1) Definitions.

As used in this Section, unless the context requires otherwise:

- 1) "Adjusted gross hospital revenue" means the hospital provider's total gross patient charges less Medicare contractual allowances, but does not include gross patient revenue from skilled or intermediate nursing care, revenue from the leasing of health care equipment, revenue from the Social Security Act, and revenue from the sale of real property, but does not include revenue from hospice services (and the portion of any Medicare contractual allowance related thereto). Revenue generated from swing beds, as described in subsection (1)(12) below, is considered to be part of the provider's gross hospital revenue. Revenue not related to patient care, such as, investment income, gift shop,

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

criteria or marking lot revenue is not considered as patient revenue. Adjusted gross hospital revenue must be reported on an accrual basis for the assessment reporting period. All patient revenue accrued during the assessment reporting period must be included even though reimbursement may occur after the assessment reporting period. Patient revenue must be reported on a basis that is consistent with methods used on the hospital's last two cost reports.

- 1) "Cigarette Tax Contribution" is the sum of the total amount deposited in the Hospital Provider Fund in the previous State fiscal year pursuant to Section 2(a) of the Cigarette Tax Act, plus the total amount deposited in the Hospital Provider Fund in the previous State fiscal year pursuant to Section 5A-3(c) of Public Act 88-48, as amended by Public Act 89-1.
- 2) "Department" means the Illinois Department of Public Aid.
- 3) "Fund" means the Hospital Provider Fund.
- 4) "Hospital" means an institution, place, building, or agency located in this State that is subject to licensure by the Illinois Department of Public Health under the Hospital Licensing Act, whether public or private and whether organized for profit or not-for-profit.
- 5) "Hospital provider" means a person licensed by the Department of Public Health to conduct, operate, or maintain a hospital, regardless of whether the person is a medical professional, a purchaser of the services of a medical professional, or a member of the governing municipal corporation, individual, firm, partnership, corporation, company, limited liability company, association, joint stock association, or trust, or a receiver, executor, trustee, guardian, or other representative acting by order of any court.
- 6) "Intergovernmental transfer payment/Interagency Agreement" means the payments established under Section 15-3 of P.A. 87-461, as amended by P.A. 88-55, P.A. 88-48 and P.A. 89-454, and includes without limitation payments payable under that Section for July, August and September of 1992.
- 7) "Maximum Section 5A-2 Contribution" is the total amount of tax imposed by Section 5A-2 of Public Act 88-49, as amended by Public Act 89-1, in the previous State fiscal year on providers subject to the assessment imposed by subsection (b) above, multiplied by a fraction the numerator of which is adjusted gross hospital revenues reported to the Department by providers subject to the assessment imposed by subsection (b) for the previous State fiscal year and the denominator of which is adjusted gross hospital revenues reported by providers subject to the assessment imposed by subsection (b) for the State fiscal year immediately preceding the previous State fiscal year.
- 8) "Medicare Contractual Allowance" means the difference between charges at established rates and the amount estimated to be paid

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

by Medicare, as appropriate, pursuant to agreements between the

- 100) "Provider's Savings Rate" effective July 1, 1994, is .88 percent multiplied by a fraction, the numerator of which is the Maximum Section 5A-2 Contribution minus the Cigarette Tax Contribution, and the denominator of which is the Maximum Section 5A-2 Contribution. Effective July 1, 1995, through March 31, 1997, the Provider's Savings Rate is 1.25 percent multiplied by the same fraction as described above.
- 101) "Rural hospital" means a hospital that is:
- A) located outside a metropolitan statistical area;
- B) located 15 miles or less from a county that is outside a metropolitan statistical area and that is licensed to perform medical, surgical or obstetrical services and had combined approved total bed capacity of 75 or fewer beds in these two service categories as of the effective date of P.A. 88-8 (July 14, 1993), as determined by the Illinois Department of Public Health; or
- C) qualified as a rural hospital by meeting subsection (1)(iii)(A) or (B) under Public Health laws that have been notified in written responses to a facility's bed count or, before the effective date of P.A. 88-8 (July 14, 1993), Appeals of the geographic designation of hospital provider shall be in accordance with 91 Ill. Adm. Code 149.310(m).
- 113) "Swing-beds" means those beds for which a hospital provider has been granted an approval from the federal Health Care Financing Administration to provide post-hospital extended care services (42 CFR 409.30), October 1, 1991 and be reimbursed as a swing-bed hospital (42 CFR 413.114, October 1, 1991).
- Reg. _____, effective July 1, 1996, for a maximum of 150 days)
- 0.84 Long Term Care Provider Fund**
- 9312**
- Purpose and Contents**
- 1) The Long Term Care Provider Fund was created in the State Treasury upon enactment of Public Act 88-3, Public Act 88-38 and Public Act 88-21. All moneys earned by the Fund shall be used to fund the Long Term Care Provider Fund. The Fund shall be funded to the Fund. The Fund shall not be used to replace any funds appropriated to the Medicaid program by the General Assembly.
- 2) The Fund is created for the purpose of receiving and disbursing moneys in accordance with this Section and Public Act 88-36, Public Act 88-48 and Public Act 89-21.
- The Fund shall consist of:

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

- A) All monies collected or received by the Department under subsection (b) below;
- B) All federal matching funds received by the Department as a result of expenditures made by the Department that are attributable to monies deposited in the Fund;
- C) Any interest or penalty levied in conjunction with the administration of the Fund;
- D) All other monies received for the Fund from any other source, including interest earned thereon;
- E) All monies transferred from the Medicaid Long Term Care Provider Participation Fee Trust Fund; and
- F) All monies transferred from the Tobacco Products Tax Act.
- b) License fee: July 1, 1993, a nursing home license fee is imposed upon each nursing home provider in the State of Illinois to \$100 for each licensed nursing bed and \$40 for the calendar quarter in which the license fee is due. All nursing beds subject to licensure under the Nursing Home Care Act or the Hospital Licensing Act, with the exception of swing-beds, as defined in subsection (k)(8) of this Section will be used to calculate the licensed nursing bed days for each quarter. This license fee shall not be billed or passed on to any resident of a nursing home operated by the nursing home provider. Changes in the number of licensed nursing beds will be reported to the Department quarterly, as described in subsection (d)(1) below. The Department reserves the right to audit the reported data.
- c) Payment of License Fee Due

- 1) The license fee described in subsection (b) above shall be due and payable in quarterly installments, on September 10, December 10, March 10, and June 10 of the year, modified to accommodate weekends and holidays. Providers will be notified, in writing, of the date the license fee is due. License fee payments postmarked on the day after the due date shall be considered timely. Payment on the day after the due date shall be credited first to unpaid installment amounts (rather than to penalty or interest), beginning with the most delinquent installments.
- 3) County nursing homes licensed and maintained pursuant to Section 5-1005 of the Counties Code may meet their license fee obligation by the county government certifying to the Department that county expenditures have been obligated for the operation of the county nursing home in an amount at least equal to the amount of the license fee. County governments wishing to provide such certification must:

- A) Sign a certification form certifying that the funds represent expenditures eligible for federal financial participation under Title XIX of the Social Security Act (42 U.S.C. 1396 et seq.), and that these funds are not federal funds, or are federal funds authorized by federal law to be used to match other federal funds;

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

- B) Submit the certification document to the Department once a year along with a copy of the report, showing the operation of the county nursing home. These documents must be submitted within 30 days after the final approval of the county budget. ~~The county budget and the county nursing home operating budget shall be submitted to the Department by June 10, 1993, and the county nursing home operating budget shall be submitted to the Department by September 10, 1993.~~
- C) Submit the monthly claim form in the amount of the rate established by the Department minus any third party liability amount. This amount will be reduced by an amount determined by the amount certified and the number of months remaining in the fiscal year, prior to payment because a certification statement was provided in lieu of an actual license fee payment; and
- D) Make records available upon request to the Department and/or the United States Department of Health and Human Services pursuant to the Freedom of Information Act. County records shall be maintained to certify the following records:
 - 1) On or before the due dates described in subsection (2)(1), each nursing home provider subject to a license fee under subsection (b) of this Section shall file a report with the Department reflecting any changes in the number of licensed nursing beds occurring during the reporting quarter. The report shall be on a form prepared by the Department. The changes will be reported quarterly and shall be submitted with the revised quarterly license fee payment. For the purpose of calculating the license fee described in subsection (b) above, all changes in licensed nursing beds will be effective upon approval of the change by the Illinois Department of Public Health. Documentation showing the change in licensed nursing beds, and the date the change was approved by the Illinois Department of Public Health, must be submitted to the Department of Public Aid with the licensed nursing bed change form. If a nursing home provider operates or maintains a nursing home, the nursing home provider shall be required to file for the license fee on the date the nursing home is first opened, existing as a corporation or legal entity, however, if an individual, the report filed by it shall be signed by its president, vice-president, secretary, or treasurer or by its properly authorized agent.
 - 2) If the nursing home provider fails to file its report for a State fiscal year on or before the due date of the report, there shall, unless waived by the Department for reasonable cause, be added to the license fee imposed in subsection (b) above a penalty fee equal to 25 percent of the license fee imposed for the year.
 - 3) Every nursing home provider subject to a license fee under subsection (b) above shall keep records and books that will permit the determination of licensed nursing bed days on a

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

quarterly basis. All such books and records shall be maintained for a minimum of three years following the filing date of the license fee report and shall, at all times during business hours of the day, be subject to inspection by the Department or its duly authorized agents and employees.

- 4) Amended License Fee Reports. With the exception of amended license fee reports filed in accordance with subsection (d)(5) below, an amended license fee report must be filed within 30 calendar days after the closure date for the reporting quarter. Amended license fee reports shall be submitted after identifying the changes and the justification for the amended report. The provider will be advised of any adjustments to the original annual license fee amount through a written notification from the Department. Penalties may be applied to the amount underpaid due to a filing error.
- 5) Reconciliation of Adjusted License Fee. If the Department, through an audit conducted by the Department or its agent within three years after the end of the fiscal year in which the assessment license fee was due, changes the license fee liability of a nursing home provider, the nursing home provider may request a review or reconsideration of the adjusted license fee within 30 days of the Department's notification of the change in license fee liability. Requests for reconsideration of the license fee adjustment shall not be considered if such requests are not postmarked on or before the end of the 30 day time period. Penalties may be applied to the amount underpaid due to a filing error.

e) Procedure for Partial Year Reporting/Operating Adjustments

- 1) Cessation of business during the quarter in which the license fee is being paid and the closure date has been set. A nursing home provider who ceases to conduct, operate, or maintain a facility to which the person is subject to the license fee imposed under subsection (b) above, and for which the closure date for the facility has been set, shall file a final report with the Department on or before the due date for the quarter in which the closure is to occur. The report will reflect the adjusted number of days the facility is open during the reporting quarter and shall be submitted with the final quarterly payment. Example: A facility is set to close on September 31. On or before the due date for the reporting quarter of July through September 30, the facility will submit a final report reflecting 98 days of the reporting quarter. The report will be accompanied by the adjusted quarterly license fee payment (see Subsection 4) and the corresponding quarterly license fee assessment (see Subsection 2).
- 2) Cessation of business after the quarterly due date. A nursing home provider who ceases to conduct, operate, or maintain a facility for which the person is subject to the license fee imposed under subsection (b) above, and for which closure occurs after the due date for the reporting quarter, but prior to the

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

Last day of the reporting quarter, shall file an amended final report with the Department within 30 days after the closure date. The amended report will reflect the number of days the facility was operational during the reporting quarter and the revised license fee amount. Upon verifying the data submitted on the amended report, the Department will issue a refund for the amount overpaid. Example: On December 10 a facility pays the license fee for 92 days covering the reporting quarter of October 1 through December 31. The facility closes on December 27. An amended report reflecting 98 days the actual number of days the facility was operational during the quarter, October 1 through December 31, is submitted to the Department.

- 3) Cessation of business prior to the quarterly due date. A nursing home provider who ceases to conduct, operate, or maintain a facility for which the person is subject to the license fee imposed under subsection (b) above, and for which closure occurs prior to the due date for the reporting quarter, shall file a final report with the Department within 30 days after the closure date. The final report will reflect the number of days the facility was operational during the reporting quarter, the quarter and the corresponding final license fee amount. Closure dates will be verified with the Department of Public Health, and if necessary adjustments will be made to the final license fee due. Example: Facility closes on January 17. On or before February 17, the facility must file a final report for the reporting quarter of January through March 31. The report would reflect 47 days of operation (January 1 through January 17) during the quarter and be accompanied by the final license fee payment for the facility.
- 4) Commencing of business during the fiscal year in which the license fee is being paid. A nursing home provider who commences conducting, operating, or maintaining a facility for which the person is subject to the license fee imposed under subsection (b) above, shall file an initial report for the reporting quarter in which the commencement occurs within 30 calendar days thereafter and shall pay the license fee under subsection (d) above.
- 5) Change in Ownership and/or Operators. The full quarterly assessment/license fee must be paid on the designated due dates regardless of changes in ownership or operators. Liability for the payment of the assessment/license fee amount (including past due assessment/license fees and any interest or penalties that may have accrued against the amount) rests on the nursing home regardless of currently operating or maintaining the nursing facility. Example: A nursing home is sold to a new corporation or partnership. The new owners must pay the quarterly assessment/license fee from the previous provider's bill to avoid paying the current provider. Failure of the current provider to pay any outstanding assessment/license fee liabilities incurred

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

by previous providers shall result in the application of penalties described in subsection (f)(1) of this Section.

- f. Penalties
 - 1) Any nursing home provider that fails to pay the full amount of an installment when due, or fails to report a change in licensed nursing home occupancy or number of beds within 30 days prior to the due date of the installment shall be charged penalties imposed by the Department for reasonable cause, a penalty equal to five percent of the amount of the installment not paid on or before the due date, plus five percent of the portion thereof remaining unpaid on the last day of each month thereafter, not to exceed 100 percent of the installment amount not paid on or before the due date.
 - 2) Within 15 days from the due date, the Department may begin recovery actions against delinquent nursing home providers participating in the Medicaid Program. Payments may be withheld from the provider until the entire license fee, including any penalties, is satisfied or until a reasonable repayment schedule has been approved by the Department. If a reasonable agreement cannot be reached, or if a provider fails to comply with an agreement, the Department reserves the right to recover any outstanding license fee, interest and penalty by recouping the amount of the license fee from the provider's future payments from the Department. These providers are subject to this recoupment in accordance with the Department rules contained in 99 Ill. Adm. Code 104. The Department has the right to continue recoupment during the appeal process. Penalties pursuant to subsection (f)(1) above will continue to accrue during the recoupment process. Recoupment proceedings against the same nursing home provider two times in a fiscal year may be cause for termination from the Program. Failure by the Department to initiate recoupment activities within 45 days shall not reduce the provider's liabilities nor shall it preclude the Department from taking action at a later date.
 - 3) If the nursing home provider does not participate in the Medicaid Program, or is no longer doing business with the Department, or the Department cannot recover the full amount due through the claims processing system, within three months after the fee due date, the Department may begin legal action to recover the license fees, including penalties and interest owed, plus court costs.
- g) Delayed Payments

The Director may establish delayed payment of fees and/or waive the payment of interest and penalties for groups of facilities when:

 - 1) the State delays payments to facilities due to problems related to State cash flow; or
 - 2) a cash flow bond pool's or any other group financing plans' requests from providers for loans are in excess of its scheduled proceeds such that a significant number of facilities will be

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

unable to obtain a loan to pay the license fee.

- h) Delayed Payment - Individual Facilities

In addition to the provisions of subsection (g) above, the Director may delay license fees for individual facilities that are unable to make timely payments under this Section due to financial difficulties. No delayed payment arrangements shall extend beyond the last business day of the calendar quarter following the quarter in which the license fee was to have been received by the Department as described in subsection (c) above.

1) Criteria. Delayed payment provisions may be instituted only under extraordinary circumstances. Delayed payment provisions shall be limited to qualified facilities who meet all of the following requirements:

 - A) the facility has experienced an emergency which necessitates institution of delayed payment provisions. Emergency in this instance is defined as a circumstance under which institution of the payment and penalty provisions described in subsections (c)(1), (c)(2), (f)(1), (f)(2) and (f)(3) above would impose severe and irreparable harm to the clients served. Circumstances which may create such emergencies include, but are not limited to, the following:
 - i) Department system errors (either automated system or clerical) which have precluded payments, or which have caused erroneous payments such that the facility's ability to provide further services to clients is severely impaired;
 - ii) cash flow problems encountered by a facility which are unrelated to Department technical system problems and result in extensive financial problems to a facility adversely impacting on its ability to serve its clients;
 - B) the facility serves a significant number of clients under the Medical Assistance Program. Significant in this instance means:
 - i) 95 percent or more of their residents must be eligible for public assistance;
 - ii) a government-owned facility, which meets the cash flow criterion under subsection (h)(1)(A)(ii) above;
 - iii) a provider who has filed for Chapter 11 bankruptcy, which meets cash flow criterion under subsection (h)(1)(A)(ii) above.
 - C) the facility must file a delay of payment request as defined under subsection (h)(3)(A) below and the request must include a Cash Position Statement which is based upon current assets, current liabilities, and other data for a period less than 90 days prior to the date of filing. Delay liabilities paid to the State must be reported and not be reported as current liabilities on the Cash Position

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

Statement. A deferral of license fee payments will be denied if any of the following criteria are met:

- i) the ratio of current assets divided by current liabilities is greater than 2.0;
- ii) cash, short term investments and long term investments equal or exceed the total of accrued wages payable and the license fee payment. Long term investments which are unavailable for expenditure for current operations due to donor restrictions or contractual requirements will not count in this calculation;
- iii) with no other assets has been distributed during the previous 90 days to owners or related parties in an amount equal to or exceeding the license fee payment for dividends, salaries in excess of those allowable under Section 140.511 or payments for purchase of goods or services in excess of cost as defined in Section 140.537.

D) the facility, with the exception of government owned facilities, must show evidence of denial of an application to borrow license fee funds through a cash flow bond pool or financial institutions such as a commercial bank. The denial must be 90 days old or less.

E) the facility must sign an agreement with the Department which specifies the terms and conditions of the delayed payment provisions. The agreement shall contain the following provisions:

- i) specific date(s) for institution of the delayed payment provisions;
- ii) specific dates on which payments must be received and the amount of payment which must be received on each specific date described;
- iii) the interest or a statement of interest waiver as described in subsection (h)(5) below that shall be due from the facility as a result of institution of the delayed payment provisions;
- iv) a certification stating that, should the entity be sold, the new owners will be made aware of the liability and any agreement selling the entity will include provisions that the new owners will assume responsibility for repaying the debt to the Department according to the original agreement;
- v) a certification stating that all information submitted to the Department in support of the delayed payment provisions is true and accurate to the best of the signatory's knowledge; and
- vi) such other terms and conditions that may be required by the Department.

2) A facility which does not meet the above criteria may request a

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

delayed payment schedule and/or the waiver of interest and penalties. The Director may approve the request, notwithstanding the facility not meeting the above criteria, upon a sufficient showing of financial difficulties and good cause by the facility. If the request for a delayed payment schedule and/or waiver of interest and penalties is approved, all other conditions of this subsection (h) shall apply.

3) Approval Process

A) In order to receive consideration for delayed payment relief, the facility must submit their request in writing (telex requests are acceptable) to the Bureau of Program and Reimbursement Analysis. The request must be received by the due date designated by the Department. Providers will be notified in writing of the due dates for submitting delay of payment requests. Requests must be complete and contain all required information before they are considered to have met the time requirements for filing a delayed payment request. All telex requests must be followed up with original written requests, postmarked no later than the date of the telex. The request must include:

- i) an explanation of the circumstances creating the need for the delayed payment provisions;
- ii) supportive documentation to substantiate the emergency nature of the request including a (1)(C) and a statement as defined in subsection (h)(1)(D) above, a statement as defined in subsection (h)(1)(E) above, and a statement as defined in subsection (h)(1)(F) above; and an explanation of the risk of irreparable harm to the clients; and
- iii) specification of the specific arrangements requested by the facility.

B) The facility shall be notified by the Department, in writing prior to the license fee due date, of the Department's decision with regard to the request for institution of delayed payment provisions. An agreement shall be issued to the facility for all approved requests. The agreement must be signed by the administrator, owner or other authorized representative and be received by the Department prior to the first scheduled payment date listed in such agreement.

4) Waiver of Penalties. The penalties described in subsections (f)(1) and (f)(2) above may be waived upon approval of the facility's request for institution of delayed payment provisions. The facility's request for institution of delayed payment provisions is approved and the Department has received the signed agreement in accordance with subsection (h)(3)(B) above, such penalties shall be permanently waived for the subject quarter unless the facility fails to meet all of the terms and conditions of the agreement. In the event the facility fails to

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

meet all of the terms and conditions of the agreement, the agreement shall be considered null and void and such penalties shall be fully reinstated.

- 5) Interest. The delayed payments shall include interest at a rate not to exceed the State of Illinois borrowing rate. The applicable interest rate shall be identified in the agreement described in subsection (h)(1)(E) above. The interest may be waived by the Director if the facility's current ratio, as described in subsection (h)(1)(C) above, is 1.5 or less and the facility meets the criteria in subsections (h)(1)(A) and (B). Any such waivers granted shall be expressly identified in the agreement described in subsection (h)(1)(E) above.
- 6) Subsequent Delayed Payment Arrangements. Once a facility has agreed to delayed payment arrangements, the facility shall be required to submit to the Department subsequent delayed payment arrangements until such time as the delayed payment arrangements have been satisfied or until such time as the facility is in full compliance with the terms of the current delay of payment agreement. The waiver of penalties described in subsection (h)(4) above shall not apply to a facility that has not satisfied the terms and conditions of any current delayed payment agreement.
- 7) Administration - enforcement provisions. Pursuant to Section 58-7 of P.A. 87-861, to the extent practicable, the Department shall administer and enforce P.A. 86-861, P.A. 88-88 and P.A. 89-11, and collect the license fees, interest, and penalty fees imposed under the law, using procedures employed in its administration of this Code generally and, as it deems appropriate, in a manner similar to that in which the Department of Revenue administers and collects the retailers' occupation tax under the Retailers' Occupation Tax Act ("ROTA").
- 8) Nothing in P.A. 89-11 shall be construed to prevent the Department from collecting all amounts due under Section 58-7 pursuant to an assessment imposed before the effective date of P.A. 89-11.
- 9) Definitions.
 - A) As used in this Section, unless the context requires otherwise:
 - 1) "Department" means the Illinois Department of Public Aid.
 - 2) "Fund" means the Long-Term Care Provider Fund.
 - 3) "Hospital Provider" means a person licensed by the Department of Public Health to conduct, operate, or maintain a hospital, regardless of whether the person is a Medicaid provider. For purposes of this definition, "person" means any political subdivision of the State, municipal corporation, individual firm, partnership, corporation, company, limited liability company, association, joint stock association, or trust, or a receiver, executor, trustee, guardian, or other representative appointed by order of any court.
 - 4) "Licensed nursing bed days" means, with respect to a nursing home

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

provider, the sum for all nursing beds, with the exception of the hospitals, described in subsection (k)(8) of this Section, of the number of nursing beds in the quarter in which each bed is covered by a license issued to that provider under the Nursing Home Care Act or the Hospital Licensing Act under the Nursing Home Care Act.

- 5) "Nursing home" means a skilled nursing or intermediate long-term care facility, whether public or private and whether organized for profit or not-for-profit, that is subject to licensure by the Illinois Department of Public Health under the Nursing Home Care Act, including a county nursing home directed and maintained under Section 5-1005 of the Counties Code; and a part of a hospital in which skilled or intermediate long-term care services within the meaning of Title XVIII or XIX of the Social Security Act are provided. However, the term "nursing home" does not include a facility operated solely as an intermediate care facility for the mentally retarded within the meaning of Title XIX of the Social Security Act, or a State facility created by, or under, the authority of the Illinois Department of Veterans Affairs.
- 6) "Nursing home provider" means a person licensed by the Department of Public Health to operate and manage the nursing of an intermediate long-term care facility which charges its services to a third party payor, Medicaid, of Medicare for skilled nursing or intermediate long-term care services; or a hospital provider that provides skilled or intermediate long-term care services within the meaning of Title XVIII or XIX of the Social Security Act.
- 7) "Person" means, in addition to natural persons, any political subdivision of the State, municipal corporation, individual, firm, partnership, corporation, company, limited liability company, association, joint stock association, or trust, or a receiver, executor, trustee, guardian, or other representative appointed by order of any court.
- 8) "Nursing beds" means those beds for which a hospital provider has been granted an approval from the Federal Health Care Financing Administration to provide post-hospital extended care services (42 CFR 413.41, October 1, 1991) and be reimbursed as a swing-bed hospital (42 CFR 413.41, October 1, 1991).

(Source: Emergency amendment at 20 Ill. Reg. 9312, effective July 1, 1996, for a maximum of 150 days)

SUPPORT B: GROUP CARE

Section 140-555 Minimum Wage

EMERGENCY

In the event of minimum wage increases, it may be necessary to make further

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

adjustments when the legislatively mandated change has an impact greater than the increase in costs protected by used of the above inflation projections. The specific adjustment for this change will be calculated as follows:

- average nurses' aide salary for each DEPARTMENTAL AREA Health Service Area (HSA) group will be updated for inflation as specified in Section 140.532.
- The number will be compared to the new hourly minimum wage figure plus ten cents.
- if the minimum wage plus ten cents is less than the updated average nurses' aide salary, no adjustment will be made. If it exceeds the updated, average nurses' aide salary, the difference between the two will be divided by the updated nurses' aide salary. That will yield a percentage shortfall which will be adjusted by the statewide average of nonadministrative salary costs as a percentage of total operating costs and applied as an additional inflation factor to all facilities in that DEPARTMENTAL AREA HSA-group.

(Source: Emergency amendment at 20 Ill. Reg. 9312, effective July 1, 1996, for a maximum of 150 days)

Section 140.560 Components of the Base Rate Determination

Except as specified otherwise in this Section, rates calculated for the year beginning July 1, 1990, and for subsequent years thereafter shall be based on the facility's cost report for the facility's full fiscal year ending at any point in time during the previous calendar year as long as that cost report is filed prior to April 1. Otherwise, the latest cost report available on March 31 will be used to set rates for July 1. For example, if a facility with a December 31, 1989 year end files their cost report prior to April 1, 1990, that cost report will be used to set rates for the rate year to begin on July 1, 1990. In this example, if the December 31, 1989 cost report is not filed until after March 31, 1990, the December 31, 1988 cost report will be used to set rates for the rate year to begin on July 1, 1990.

- In the case of a change in ownership of a previously certified facility, the rate issued to the previous owner will be in effect for the remainder of the rate year. A new rate will be calculated for the new owner's cost report for the first six months of the rate year covering a minimum of 180 days. The new rate will be calculated by the Office of Health Finance prior to April 1st. If a cost report covering the first six or more months of operation for the new owner cannot be filed with the Office of Health Finance prior to April 1st, the rate will be calculated based upon the prior owner's cost report filed in accordance with the opening paragraph of this Section. A cost report which has not been completed in accordance with the Department's rules and cost report instructions will not be considered as received until all cost report pages are properly completed.

- In the case of a new facility, capital reimbursement will be assigned

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

on the receipt of the first cost report (which may be an abbreviated cost report). The support reimbursement will be set at the median for that region. The facility must then file a six month cost report, beginning with date the first patient was admitted) which contains all historical cost information. The capital and support rates will be calculated using the first cost report. The cost report will be calculated with no into effect on the first day of the first month after the six month cost report is received by the Department's Office of Health Finance. The facility must obtain written verification of the initial cost-reporting periods from the Office of Health Finance.

- When a construction addition to the building will increase the licensed bed capacity by 10 percent or more, the facility may file a revised cost report reflecting the increased capital investment. If this revised cost report is filed within 30 days of the date of the increase in licensure as determined by the Illinois Department of Public Health, any increase in the capital rate will be effective on the effective date of licensure increase. If the revised cost report is filed more than 30 days after the effective date of increase in licensure, any increase in the capital rate will be effective on the first day of the first month after the report is received by the Finance Section.
- If a rate for an individual facility has been calculated, a new rate will be calculated and used to determine the rate year except as provided in subsections (b) and (c) above.
- If a facility incurs building construction improvements which increase the total building cost for the current owner by ten (10) percent or more and which would raise the base year, then the nursing home may file a revised cost report which reports the increased capital investment. The base year is defined in Section 140.570(b)(2). If the improvements have been completed and put into use prior to the forthcoming rate year and the cost report reflecting increased capital costs is filed prior to the beginning of the next rate year, then any increase in the capital rate will be effective on the first day of the rate year.

- In order to accommodate the downsizing or reduction in bed capacity of ICY/DD facilities licensed for ICY/DD or SNF/PD Services, the following provisions will apply for revisions to rates. These provisions only apply for facilities which decrease their total licensed bed capacity by 10 or more beds. The total capacity of the ICY/DD SNF/PD services will be determined by the Department's Office of Health Finance prior to April 1st. If a facility achieves 100 or more of the following bed capacity: (1) achieve compliance with ICY/DD regulations, such as four or fewer persons per room, (2) achieve compliance with ICY/DD regulations in an adverse action as part of a Plan of Correction (77 Ill. Adm. Code 100.278), and (3) increase available space in order to provide services to persons with severe physical and/or medical conditions: i.e., persons who need services under Specialized Care-Health and Sensory Disabilities, Levels II and/or III (89 Ill. Adm. Code 144.150).

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

- 1) The facility must request pre-approval for application of these provisions from the Deputy Director of the Department's Division of Medical Operations. The facility must request pre-approval to the extent necessary to reduce licensed bed capacity. The facility must send a schedule of the projected dates of each decrease in census. Written approval may be granted if the Deputy Director determines the change will be beneficial for the ICF/PED or SNF/PED residents.
- 2) The reduction in the number of licensed beds must be completed within a one year period following the Deputy Director's approval, unless a longer reduction period is approved by the Deputy Director at the onset of the plan.
- 3) Capital rates will initially be set based upon provisions in Sections 13.570 through 140.774 with the use of capital days at a level which is no less than 3% of the license level at the time of application for downsizing. The support rate will be calculated in accordance with provisions in Section 140.561. The census used to calculate rates under this subsection is referred to as the "projected census" (f)(4). These initial rates will be modified for downsizing in accordance with subsection (f)(4).
- 4) The capital and support rates will be revised every six months during the approved downsizing period. These rates will also be revised on July 1 of each year. The facility must file reports of days of care provided, as requested by the Department.

A) The capital rate will be increased in proportion to the agreed upon decrease in the census for the six month period. For example, with an original census of 18,250 days and a projected census of 16,425, the initial \$6.00 capital rate will be increased to \$6.67 as follows: (the initial capital rate) is multiplied by (the original census which has been divided by a planned census reduction), or $(\$6.00) \times (18,250/16,425) = \6.67 . The projected census for each six month period will be adjusted by any difference between the projected census for the previous period and the actual support rate for the previous period.

B) The support rate will be increased in proportion to the planned decrease in census over the six month period, with the assumption that 5% of the support costs are fixed and 5% of the support rate is variable. The variable half of the support rate will be increased in proportion to the planned census decrease over the six month period. For example, with an original support rate of \$22.00, the estimated support rate for the six month period would be $[(.5 \times \$22) \times (18,250/16,425)] + (.5 \times \$22) = \$23.22$. The projected census for each six month period will be adjusted by any difference between the projected census for the previous period and the actual census for the previous

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

- C) The program rate will be set according to the methodology described in § 111. Adm. Code 141.275.
- 5) The support rate for ICF/PED facilities may not exceed the facility's geographic area HSA ceiling. Facilities having SNF/PED licenses may not exceed the geographic area HSA ceiling. SNF/PED facilities must comply with ICF/PED requirements which limit the number of permanent bedrooms to four or fewer, may increase the facility's geographic area HSA ceiling but to no more than 125%. The exception allowing SNF/PED facilities to exceed the support rate geographic area HSA ceiling will only be based on the reduction in census to attain four or fewer persons per bedroom. If a SNF/PED facility reduces census below that required to attain four persons per bedroom, the support rate may not exceed the facility's geographic area HSA ceiling.
- 6) Bed Reserves
Facilities with a downsizing agreement with the Department will be exempt during the period of downsizing from the 93% or higher occupancy requirement which is specified in Section 140.523, Bed Reserves. Once the final agreed upon census has been achieved, all bed reserve requirements will again be in effect beginning with the quarter following completion of the downsizing agreement (January 1, April 1, July 1 or October 1).

(Source: Emergency amendment at 20 Ill. Reg. 9312, effective July 1, 1996, for a maximum of 150 days)

Section 140.561 Support Costs Components

EMERGENCY

Support Costs Components (includes laundry, dietary, house-keeping, utility and administrative expenses)

a) The Department shall reimburse each facility for support costs associated with the provision of long term care on the basis of the relationship between the facility's per diem allowable support costs and relevant values determined for each geographic area Health-Serve Area-HSA-group from the distribution of per diem allowable support costs for all long-term care facilities with adequate cost report data. For all facilities with a Department of Public Health license (including SNF/PED, Skilled Nursing Facility, Intermediate Care Facility, and Developmentally Disabled), the support rate will be computed as follows for the year year to begin July 1, 1989 and subsequent years:

1) If a facility's per diem allowable support costs are less than the 35th percentile value for per diem allowable support costs in the geographic area HSA-group, the support rate will be equal to the facility's per diem allowable support costs plus 50% of the difference between the 75th percentile value for per diem

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

allowable support costs in the geographic area HSA-group and the facility's per diem allowable support costs up to the ceiling. The ceiling shall be equal to 50% of the difference between the 75th percentile value of allowable per diem support costs for the geographic area HSA-group and the 35th percentile value of allowable per diem support costs for the geographic area HSA-group plus 5.0%.

2) If a facility's per diem allowable support costs are greater than or equal to the 35th percentile value of per diem allowable support costs for the geographic area HSA-group and less than the 75th percentile value of per diem allowable support costs for the geographic area HSA-group, the support rate will be equal to the difference between the 75th percentile value of per diem allowable support costs plus 50% of the difference between the 75th percentile value of per diem allowable support costs for the geographic area HSA-group and the facility's per diem allowable support costs.

3) If a facility's per diem allowable support costs are equal to or greater than the 75th percentile value of per diem allowable support costs for the geographic area HSA-group, the support rate will be equal to the 75th percentile value of per diem allowable support costs for the geographic area HSA-group.

b) Small scale ICF/M facilities which are licensed as Intermediate Care Facilities for the Developmentally Disabled with four or six beds (ICF/DD-4, ICF/DD-6) (see 39 Ill. Code 144.100 and 144.125) are separately licensed facilities. However, for support reimbursement, the per diem is based on a sixteen person capacity and the sum of the support cost components is aggregated over four 4-person ICFs/DD, or one 4-person plus two 6-person ICFs/DD. The set of small scale ICFs/DD used in computing the support per diem will be identified in the provider agreements. All facilities in a set must be within the boundaries of the same geographic area HSA. Removal and/or addition of a small scale ICF/DD which is part of a set requires both a written notice by the provider 90 days before the beginning of a fiscal year (July 1), or upon notification of a change of a facility which is licensed, and a change of the affected facility's membership identifies the membership of the set. Each per diem calculated by aggregating allowable support costs over the specified set of small scale ICFs/DD based on a sixteen person capacity will be treated as a single facility licensed as ICF/DD-16, and will be included in the computation of support rates described in subsection (d).

c) For all facilities with a Department of Public Health license classification SNF/PED (Skilled Nursing Facility for Pediatric residents), the support rate will be computed exactly as described for the SNF/ICF and ICF/DD facilities, except that the relevant value for each geographic area HSA-group (i.e. the 35th percentile value and the 75th percentile values for per diem allowable support costs) will be increased to 120% of the relevant values applied in the computation of the support rates for SNF/ICF and ICF/DD facilities.

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

d) For all facilities with a Department of Public Health license classification ICF/DD-16 (Intermediate Care Facility for the Developmentally Disabled with a sixteen person capacity), the support rate will be computed by regionalizing the 35th percentile values and the 75th percentile values for per diem allowable support costs based upon cost of facilities or sets of facilities licensed as ICF/DD-16. A set of facilities licensed as ICF/DD-4 or ICF/DD-6 are considered as an ICF/DD-16 for the purpose of support reimbursement and the support rate is computed exactly as described for ICF/DD-16 facilities. All ICFs/DD-16, including sets of ICF/DD-4 and/or ICF/DD-6 facilities, will be used to locate the 35th percentile and the 75th percentile values for per diem allowable support costs. Those sets of small scale facilities which have support costs above the 75th percentile will be reimbursed for support costs up to, but not to exceed, 106.6% of the 75th percentile.

e) For all facilities with a Department of Public Health license classification SNF (Specialized Living Center), as determined by the Department of Mental Health and Developmental Disabilities and designated by Mental Health and Developmental Disabilities, the support rate will be computed exactly as described for the SNF/ICF and ICF/DD facilities, except that the relevant values for each geographic area HSA-group (i.e. the 35th percentile values and the 75th percentile values for per diem allowable support costs) will be increased to 120% of the relevant values applied in the computation of the support rates for SNF/ICF and ICF/DD facilities.

(Source: Emergency amendment at 20 Ill. Reg. 9312, effective July 1, 1996, for a maximum of 150 days)

Section 140.578 Property taxes

EMERGENCY

a) For long term care services rendered from July 1, 1994, through June 30, 1995, each facility shall be reimbursed for property taxes at a rate equal to the reported per diem property tax adjusted for the number of beds in the facility. Section 140.578(b)(3) projected occupancy to the highest of the four using the most recent available data. The property taxes as reported on the most recent available report for a sample of homes in the geographic area Health-Service-Area (HSA).

b) For long term care services rendered subsequent to June 30, 1995, the reimbursement for real estate taxes shall be based upon the actual taxes assessed for the base year. The base year will be the calendar year which ended 18 months before the beginning of the rate year on July 1. A per diem real estate tax will be determined using actual occupancy or adjusted occupancy as specified in Section 140.578(b)(3). This per diem cost will be projected forward to the mid-point of the

DEPARTMENT OF PUBLIC AID

NOTICE OF EMERGENCY AMENDMENTS

rate year using the average yearly changes in property taxes for each of the preceding years, based upon a 20 percent sample of facilities with property taxes exceeding \$100,000. The Department will make every effort to provide notice of these amendments to all facilities to the provision of care in the nursing home, such as tax assessments for investment property, will not be considered for reimbursement.

1) Each year long term care facilities must submit a copy of the real estate tax bills to the Department. The Department will send a Property Tax Statement form for the long term care facility to complete and return with a copy of the tax bill. This will provide information necessary to calculate the real estate tax portion of the capital rate.

2) Beginning with rates to be effective on July 1, 1995, the real estate tax cost described in this Section will be adjusted as follows prior to rate calculation:

- A) Any direct appeal cost from Section 140.95(c)(2) will be added, if the same cost reporting period is used to set rates for more than one rate year this cost will only be used for one rate year.
- B) The full amount of the refund of real estate taxes used to calculate a payment rate for the preceding rate year. The full amount of that refund will be offset against the estate tax cost to be used to calculate rates for the next rate year. The full amount of the direct appeal cost reported as a real estate tax cost plus one-half of the amount by which the refund exceeds the appeal cost, will be the offset. For example, assume that a facility receives a refund of \$70,000 in 1994 for taxes paid for 1991, and the facility pays \$10,000 in legal fees related to the appeal. The \$10,000 legal fee can be reported as a real estate tax cost on the 1994 cost report. Forty thousand dollars of the refund must be offset against the cost that would otherwise be used to calculate the next year's real estate tax rates. The \$10,000 is the \$10,000 fee plus one-half of the \$60,000 excess above the fee. If the same cost reporting period is used to set rates for more than one rate year, this refund will only be offset for one rate year.
- C) This rule will offset the full refund of the appeal cost, not only provided the facilities wish to report that amount of refund on the cost report in the year in which the refund was received or accrued as a receivable. Any unreported refunds will be offset in full and the reported appeal cost will be reclassified as an administrative cost rather than a real estate tax cost.

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(Source: Emergency amendment at 20 Ill. Reg. _____, effective July 1, 1996, for a maximum of 150 days)

SECRETARY OF STATE

NOTICE OF EMERGENCY AMENDMENT(S)

- 1) Heading of the Part: Procedures and Standards
- 2) Code Citation: 92 Ill. Adm. Code 1001
- 3) Section Numbers:

1001.410	Emergency Action:
1001.411	Amend
1001.412	Amend
1001.443	Amend
1001.442	Amend
Appendix A	Amend
- 4) Statutory Authority: Authorized by Illinois Vehicle Code [625 ILCS 5/11-501]
- 5) Effective Date: July 1, 1996
- 6) If this emergency amendment is to expire before the end of the 150-day period, please specify the date on which it is to expire: This emergency amendment will expire with the adoption of proposed amendments at the end of the regular rulemaking process.
- 7) Date filed in Agency's Principal Office: July 1, 1996
- 8) Reason for Emergency: Pilot program portion of the rules expires June 30, 1996 and emergency rulemaking is necessary as the Breath Alcohol Ignition Interlock Device (BAIID) Pilot Program is being continued beyond its expiration date.
- 9) A Complete Description of the Subjects and Issues Involved: The proposed changes are being made to clarify definitions relating to the Breath Alcohol Ignition Interlock Device (BAIID) Pilot Program and to more accurately reflect how the program operates in dealing with the public.
- 10) Are there any proposed amendments to this part pending? No
- 11) Statement of Statewide Policy Objectives: These proposed amendments will not require a local government to establish, expand or modify its activities in such a way as to necessitate additional expenditures from local revenues.
- 12) Information and questions regarding this emergency amendment shall be directed to:

Jay Wesl, Senior Legal Advisor
Department of Administrative Hearings
288 Howlett Building
Springfield, IL 62756
(217) 785-8237

SECRETARY OF STATE

NOTICE OF EMERGENCY AMENDMENT(S)

The full text of the emergency amendment begins on the next page:

SECRETARY OF STATE

NOTICE OF EMERGENCY AMENDMENT(S)

TITLE 92: TRANSPORTATION
CHAPTER II: SECRETARY OF STATE

PART 1001

PROCEDURES AND STANDARDS

SUBPART A: FORMAL ADMINISTRATIVE HEARINGS

Section
1001.10 Applicability
1001.20 Definitions
1001.30 Right to Counsel
1001.40 Appearance of Attorney
1001.50 Special Appearance
1001.60 Substitution of Parties
1001.70 Commencement of Actions; Notice of Hearing
1001.80 Motions
1001.90 Form of Papers
1001.100 Conduct of Formal Hearings
1001.110 Orders
1001.120 Record of Hearings
1001.130 Invalidity

SUBPART B: ILLINOIS SAFETY RESPONSIBILITY HEARINGS

Section
1001.200 Applicability
1001.210 Definitions
1001.220 Hearings: Notice; Locations; Procedures; Record
1001.230 Rules of Evidence
1001.240 Scope of Hearings
1001.250 Decisions and Orders
1001.260 Hearings
1001.270 Judicial Review
1001.280 Invalidity

SUBPART C: RULES ON THE CONDUCT OF INFORMAL HEARINGS
IN DRIVERS LICENSE SUSPENSIONS AND REVOCATIONS

Section
1001.300 Applicability
1001.310 Definitions
1001.320 Right to Representation
1001.330 Record and Reports
1001.340 Location of Hearings
1001.350 Duties and Responsibilities
1001.360 Decisions
1001.370 Invalidity

NOTICE OF EMERGENCY AMENDMENT(S)

SUBPART D: STANDARDS FOR THE GRANTING OF RESTRICTED DRIVING PERMITS, SUSPENSION OF DRIVING PERMITS, AND REVOCATION OF CANCELLATION OF DRIVING PERMITS BY THE OFFICE OF THE SECRETARY OF STATE

Section

1001.400

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NOTICE OF EMERGENCY AMENDMENT(S)

SUBPART G: MOTOR VEHICLE FRANCHISE ACT

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NOTICE OF EMERGENCY AMENDMENT(S)

SUBPART D: STANDARDS FOR THE GRANTING OF RESTRICTED DRIVING PERMITS, SUSPENSION OF DRIVING PERMITS, AND REVOCATION OF CANCELLATION OF DRIVING PERMITS BY THE OFFICE OF THE SECRETARY OF STATE

Section

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SECRETARY OF STATE

SECRETARY OF STATE

NOTICE OF EMERGENCY AMENDMENT(S)

NOTICE OF EMERGENCY AMENDMENT(S)

one of the following populations:

- 1) Any recidivist as defined in this Subpart;
- 2) Any individual classified Level III dependent with at least six months of continuous abstinence from alcohol and/or drugs; and
- 3) Any individual with three (3) DUI dispositions if:
 - A) The last DUI arrest occurred within the three (3) year period preceding the date of the hearing; or
 - B) Any one of the DUI dispositions involved a BRAC or BAC of 0.20 or more;
- 4) Any individual with four (4) or more DUI dispositions.

A BAID Eligible Petitioner shall not include anyone in the above populations if the BAID Eligible Petitioner had a hearing and was granted a RDP prior to May 10, 1994, and was eventually issued a RDP/LEP as a result of that hearing, regardless of whether the permit is currently in effect or not, as long as that BAID Eligible Petitioner does not receive a DUI disposition subsequent to the issuance of that RDP/LEP.

"BAID Permittee" means a BAID Eligible Petitioner who has been issued a RDP as a result of a hearing conducted under the program.

"Breath Alcohol Ignition Interlock Devices (BAIID)" means a mechanical unit that is installed in a vehicle which requires the execution of a BRAC test prior to the starting of a vehicle. If the unit detects a BRAC test result below the alcohol set point the unit will allow the vehicle ignition switch to start the engine. If the unit detects a BRAC test result above the alcohol set point the vehicle will be prohibited from starting. The unit or combination of units to be approved by the Secretary, in consultation with DPB, shall measure breath alcohol concentrations by breath analysis and shall include both simple and complex units.

"BRAC" means the w/v breath alcohol concentration.

"Certificate" means evidence issued by the manufacturer to an individual as proof of his authority and competence to install, accuracy check, calibrate and/or maintain ignition interlock devices.

"Certified Controlled Reference Sample" means a suitable reference of known ethyl alcohol concentration.

"Circumvention" means an overt, conscious effort to bypass the BAID whether by providing samples other than the natural, unaltered breath of the driver or by other means intended to start the vehicle without first taking and passing a breath test and thus permitting a driver with a BRAC in excess of the alcohol setpoint to start the vehicle.

"Clinical Impression" means a qualified professional's (See definition of "Alcohol or Drug Evaluation") interpretation of specific data, which is obtained during the treatment process, regarding the effectiveness of treatment provided.

"DASA" means the Illinois Department of Alcoholism and Substance Abuse.

"Department" means the Department of Administrative Hearings of the Office of the Secretary of State.

"Designated Driver Remedial or Rehabilitative Program" means an alcohol or drug evaluation, an alcohol or drug related driver remedial program, an alcohol or drug treatment program, the Officer Driver Improvement program, or any similar program intended to diagnose and change a Petitioner's driving problem as evidenced by the Petitioner's abstract. (See Sections 6-03(c) and 6-06(c)(3) of the Code)

"Device" means a breath alcohol ignition interlock device approved by the Secretary after consultation with DPB.

"Director" means the Director or Acting Director of the Department.

"Documentation of Abstinence" means testimony and documentation, in the form of affidavits, letters, etc., from individuals who have regular contact with the Petitioner (e.g., spouse, significant other, employer, co-workers, roommates), verifying that to the best of their knowledge the Petitioner has been abstinent from alcohol/drugs for a specified period of time.

"Driver License Compact" is an agreement among signatory states which deals with the problems of: issuing drivers' licenses to people who move from one signatory state to another; and drivers who are licensed in one signatory state and convicted of traffic offenses in other such states. Said Compact has been codified in Illinois and is found in Chapter 6, Article II, of the Code.

"DPB" means the Illinois Department of Public Health.

"DUI" means driving under the influence.

"DUI Disposition" means any conviction or supervision for DUI, or any conviction of reckless driving reduced from DUI, and any statutory summary suspension or license consent suspension. For purposes of the Breath Alcohol Ignition Interlock Program, the definition of the term "DUI Disposition" shall include any conviction for reckless homicide.

SECRETARY OF STATE

NOTICE OF EMERGENCY AMENDMENT(S)

"Employ" or "Employed" or "Employment" shall all relate to activity for compensation to support oneself or one's dependents as well as activities ordered by a court in connection with a sentence which includes the completion of a term of community service.

"Evaluator" means any person licensed to conduct an alcohol and drug evaluation by DMV. (See 77 Ill. Adm. Code 2056.11) A treatment provider may be considered an evaluator for the purposes of this definition. This Subpart is in accordance with Section 1001.140(a)(6)(A) of this Subpart.

"Failure to Successfully Complete a Rolling Retest" means anytime the BAID Permittee registers a BAC reading of 0.05 or more on a rolling retest or fails to perform a rolling retest when requested.

"Fee" means the statutory fees for restricted driving permits or reinstatement of driving privileges, as specified in Section 6-11a of the Code.

"Hearing" means informal hearings and/or formal hearings.

"Initial Monitor Report" means the monitor report obtained or required to be obtained within the first thirty (30) days after initial installation of the device. Before transferring the report to the Department of Transportation, the BAID Permittee must first submit the report to the Department of Transportation. The report must indicate the following information:

1. "An arrestee" means an individual who, though a Spectator, training, or certified, by one manufacturer to examine, certify, and maintain devices--the individual shall have an extensive background in breath analysis and maintenance;

"Installer" means an individual trained and certified by a BAID manufacturer to install and/or maintain a device and employed by a recognized service center, vendor or manufacturer.

"JD" means a Judicial Driving Permit, as defined by Section 6-206.1 of the Code which may be ordered by the court or venue to "first offenders" as defined in Section 11-01.1 of the Code.

"Level I - Minimal Risk" means the classification resulting from an alcohol and drug evaluation assigned to a Petitioner who has no prior conviction or court ordered supervision for DUI or statutory summary suspension or reckless driving conviction reduced from DUI, and a blood alcohol concentration (BAC) of less than .15 as a result of the most current arrest for DUI, and no other symptoms of substance abuse or dependence. (See 77 Ill. Adm. Code 2056.110)

SECRETARY OF STATE

NOTICE OF EMERGENCY AMENDMENT(S)

"Level II - Moderate Risk" means the classification resulting from an alcohol and drug evaluation assigned to a Petitioner who has no prior conviction or court ordered supervision for DUI or statutory summary suspension or reckless driving conviction reduced from DUI and a blood alcohol concentration (BAC) of .15 to .19 or a refusal of chemical testing as a result of the most current arrest for DUI, and no other symptoms of substance abuse or dependence. (See 77 Ill. Adm. Code 2056.110)

"Level III - Significant Risk" means the classification resulting from an alcohol and drug evaluation assigned to a Petitioner who has a prior conviction or court ordered supervision for DUI, statutory summary suspension or reckless driving conviction reduced from DUI, and/or a blood alcohol concentration (BAC) of .20 or higher as a result of the most current arrest for DUI and/or other symptoms of substance abuse. (See 77 Ill. Adm. Code 2056.110)

"Level III - High Risk" means the classification resulting from an alcohol and drug evaluation assigned to a Petitioner with symptoms of substance dependence (regardless of driving record), hereinafter referred to as a Level III Dependent; and/or two prior convictions or court ordered supervisions for DUI or statutory summary suspensions or reckless driving convictions reduced from DUI or any combination thereof resulting from date of incidents, within the ten (10) year period prior to the date of incident, current third (or subsequent) arrest, hereinafter referred to as Level III Non Dependent. (See 77 Ill. Adm. Code 2056.110)

"Lockout" means the device must prevent engine ignition by a virtual lock with 90% certainty or near absolute lock at 99.5% certainty, unless it is serviced or recalibrated.

"Manufacturer" means the maker of a BAID or its authorized representative.

"Medical or Physical BAID Modification" means a demonstrated medical or medical condition documented in writing by a physician that consistently interferes with the normal operation of the BAID by the BAID Permittee on which the Department may authorize a modification of the BAID or its programming to accommodate the condition without sacrificing the intent of the BAID Program.

"Monitor Report" means an electronic report or a printout of the activity of a device obtained by the manufacturer or installer at the time of an inspection of the device which shall include at a minimum the number of successful and unsuccessful attempts to start the vehicle and rolling retests, including each date, time, and BAC

SECRETARY OF STATE

NOTICE OF EMERGENCY AMENDMENT (S)

"National Driver Register" means a central index, maintained by the U.S. Department of Transportation, of individuals whose driving privileges are denied, terminated or withdrawn, as reported by the states' driver licensing authorities.

"Office" means the Office of the Secretary of State and not any particular Department, address, or location.

"Permanent Lockout" means that feature of the "BADID" that prevents a vehicle with the device installed from starting after the lapse of the five (5) days and requires services by the manufacturer/installer of the device to make the vehicle capable of becoming re-startable for any failure to take the vehicle with the device to the manufacturer or installer for any required monitor or repair. The device will not allow the vehicle to start after any failure to send the device to the manufacturer for a required monitor or repair within five (5) days of the failure notification. A "Permanent Lockout" will be in effect until the vehicle is taken to the manufacturer or installer for a required monitor or repair. The vehicle will not start until the vehicle is taken to the manufacturer or installer for a required monitor or repair.

"Petitioner" is the party who seeks or applies for relief from the office from the suspension, revocation, cancellation, or denial of his/her driving privileges pursuant to the provisions of the Illinois Vehicle Code.

Program" means the BAID Pilot Program administered by the Secretary.

RDP" means a restricted driving permit, as defined by section 1-173.1 of the Code and limited as specified in Sections 6-205(c) and -206(c)3 of the Code.

"Recidivist" means an individual who had lost driving privileges due to a DUI disposition, received a JDP of driving related resulting from a DUI disposition, received a JDP of driving related resulting from a third-degree administrative hearing for a DUI disposition, the arrest date of which occurred on or after January 1, 1982 process, and thereafter received another DUI disposition causing a further loss of driving privileges regardless of whether it is the reason for the current loss of driving privileges.

Reinstatement" means the restoration of driving privileges entitling the Petitioner to apply for a new driver's license in accordance with the requirements of the Illinois Vehicle Code and the Rules promulgated thereunder.

"Respondent" means a person against whom a complaint or petition is filed, or who, by reason of interest in the subject matter of a

SECRETARY OF STATE

NOTICE OF EMERGENCY AMENDMENT(S)

petition of application or the relief sought herein, is made a Respondent or to whom an order or complaint is directed by the Department initiating a proceeding.

[illegible]

"Secretary" means the Illinois Secretary of State.

"Self-help program" means an independent non-profit organization comprised of individuals who hold voluntary meetings specifically to help each member to achieve and/or maintain abstinence from alcohol and/or other drugs.

[illegible]

Service Center "Retired Soldiers' Club" of the USSR, 1945-1950, 1955-1960, 1965-1970, 1975-1980, 1985-1990, 1995-2000, 2005-2010, 2015-2020, 2025-2030, 2035-2040, 2045-2050, 2055-2060, 2065-2070, 2075-2080, 2085-2090, 2095-2100, 2105-2110, 2115-2120, 2125-2130, 2135-2140, 2145-2150, 2155-2160, 2165-2170, 2175-2180, 2185-2190, 2195-2200, 2205-2210, 2215-2220, 2225-2230, 2235-2240, 2245-2250, 2255-2260, 2265-2270, 2275-2280, 2285-2290, 2295-2300, 2305-2310, 2315-2320, 2325-2330, 2335-2340, 2345-2350, 2355-2360, 2365-2370, 2375-2380, 2385-2390, 2395-2400, 2405-2410, 2415-2420, 2425-2430, 2435-2440, 2445-2450, 2455-2460, 2465-2470, 2475-2480, 2485-2490, 2495-2500, 2505-2510, 2515-2520, 2525-2530, 2535-2540, 2545-2550, 2555-2560, 2565-2570, 2575-2580, 2585-2590, 2595-2600, 2605-2610, 2615-2620, 2625-2630, 2635-2640, 2645-2650, 2655-2660, 2665-2670, 2675-2680, 2685-2690, 2695-2700, 2705-2710, 2715-2720, 2725-2730, 2735-2740, 2745-2750, 2755-2760, 2765-2770, 2775-2780, 2785-2790, 2795-2800, 2805-2810, 2815-2820, 2825-2830, 2835-2840, 2845-2850, 2855-2860, 2865-2870, 2875-2880, 2885-2890, 2895-2900, 2905-2910, 2915-2920, 2925-2930, 2935-2940, 2945-2950, 2955-2960, 2965-2970, 2975-2980, 2985-2990, 2995-3000, 3005-3010, 3015-3020, 3025-3030, 3035-3040, 3045-3050, 3055-3060, 3065-3070, 3075-3080, 3085-3090, 3095-3100, 3105-3110, 3115-3120, 3125-3130, 3135-3140, 3145-3150, 3155-3160, 3165-3170, 3175-3180, 3185-3190, 3195-3200, 3205-3210, 3215-3220, 3225-3230, 3235-3240, 3245-3250, 3255-3260, 3265-3270, 3275-3280, 3285-3290, 3295-3300, 3305-3310, 3315-3320, 3325-3330, 3335-3340, 3345-3350, 3355-3360, 3365-3370, 3375-3380, 3385-3390, 3395-3400, 3405-3410, 3415-3420, 3425-3430, 3435-3440, 3445-3450, 3455-3460, 3465-3470, 3475-3480, 3485-3490, 3495-3500, 3505-3510, 3515-3520, 3525-3530, 3535-3540, 3545-3550, 3555-3560, 3565-3570, 3575-3580, 3585-3590, 3595-3600, 3605-3610, 3615-3620, 3625-3630, 3635-3640, 3645-3650, 3655-3660, 3665-3670, 3675-3680, 3685-3690, 3695-3700, 3705-3710, 3715-3720, 3725-3730, 3735-3740, 3745-3750, 3755-3760, 3765-3770, 3775-3780, 3785-3790, 3795-3800, 3805-3810, 3815-3820, 3825-3830, 3835-3840, 3845-3850, 3855-3860, 3865-3870, 3875-3880, 3885-3890, 3895-3900, 3905-3910, 3915-3920, 3925-3930, 3935-3940, 3945-3950, 3955-3960, 3965-3970, 3975-3980, 3985-3990, 3995-4000, 4005-4010, 4015-4020, 4025-4030, 4035-4040, 4045-4050, 4055-4060, 4065-4070, 4075-4080, 4085-4090, 4095-4100, 4105-4110, 4115-4120, 4125-4130, 4135-4140, 4145-4150, 4155-4160, 4165-4170, 4175-4180, 4185-4190, 4195-4200, 4205-4210, 4215-4220, 4225-4230, 4235-4240, 4245-4250, 4255-4260, 4265-4270, 4275-4280, 4285-4290, 4295-4300, 4305-4310, 4315-4320, 4325-4330, 4335-4340, 4345-4350, 4355-4360, 4365-4370, 4375-4380, 4385-4390, 4395-4400, 4405-4410, 4415-4420, 4425-4430, 4435-4440, 4445-4450, 4455-4460, 4465-4470, 4475-4480, 4485-4490, 4495-4500, 4505-4510, 4515-4520, 4525-4530, 4535-4540, 4545-4550, 4555-4560, 4565-4570, 4575-4580, 4585-4590, 4595-4600, 4605-4610, 4615-4620, 4625-4630, 4635-4640, 4645-4650, 4655-4660, 4665-4670, 4675-4680, 4685-4690, 4695-4700, 4705-4710, 4715-4720, 4725-4730, 4735-4740, 4745-4750, 4755-4760, 4765-4770, 4775-4780, 4785-4790, 4795-4800, 4805-4810, 4815-4820, 4825-4830, 4835-4840, 4845-4850, 4855-4860, 4865-4870, 4875-4880, 4885-4890, 4895-4900, 4905-4910, 4915-4920, 4925-4930, 4935-4940, 4945-4950, 4955-4960, 4965-4970, 4975-4980, 4985-4990, 4995-5000, 5005-5010, 5015-5020, 5025-5030, 5035-5040, 5045-5050, 5055-5060, 5065-5070, 5075-5080, 5085-5090, 5095-5100, 5105-5110, 5115-5120, 5125-5130, 5135-5140, 5145-5150, 5155-5160, 5165-5170, 5175-5180, 5185-5190, 5195-5200, 5205-5210, 5215-5220, 5225-5230, 5235-5240, 5245-5250, 5255-5260, 5265-5270, 5275-5280, 5285-5290, 5295-5300, 5305-5310, 5315-5320, 5325-5330, 5335-5340, 5345-5350, 5355-5360, 5365-5370, 5375-5380, 5385-5390, 5395-5400, 5405-5410, 5415-5420, 5425-5430, 5435-5440, 5445-5450, 5455-5460, 5465-5470, 5475-5480, 5485-5490, 5495-5500, 5505-5510, 5515-5520, 5525-5530, 5535-5540, 5545-5550, 5555-5560, 5565-5570, 5575-5580, 5585-5590, 5595-5600, 5605-5610, 5615-5620, 5625-5630, 5635-5640, 5645-5650,

Significant Other" means any person with whom an individual is experiencing an ongoing, close association that constitutes a meaningful part of that individual's established life style (e.g., spouse, other family member, employer, co-worker, clergy member, roommate).

Stressed" means conditions such as temperature extremes, vibration, and power variability.

Support/Recovery Program[®] means specific activities which a recovering alcoholic/chemically dependent person has incorporated into his/her life style to help support his/her continued abstinence from alcohol and other drugs. This may include, but is not limited to, participating in a self-help group (Alcoholics Anonymous, Narcotics Anonymous, etc.), a professional support group, or family and

SECRETARY OF STATE

NOTICE OF EMERGENCY AMENDMENT(S)

frequently engaging in religious activities which have a distinct and positive effect on an individual's continued abstinence. Any activity and its relationship to the individual's ability to remain abstinent must be clearly identified and verified by proper documentation independent from an individual's self report (such as indicated in Section 1001.40(e) through (f) of this Part). The evidence shall determine the ability of the individual as a means of supporting continued abstinence, taking into account all the evidence brought forward at the hearing.

"tampering" means an overt, conscious attempt to physically disable or otherwise disconnect the BAID from the power source and thereby allow a person with a BAID above the alcohol setpoint to start the engine.

"Twenty-Four Hour Lockout" means that feature of the device that causes a vehicle with the device installed to become inoperable for a period of twenty-four hours any time the device registers three (3) or more BRAC readings of 0.05 or more within a thirty (30) minute period.

"Undue Hardship" as it relates to educational pursuits means an extreme difficulty in getting to and from the location of the accredited education course, due to the loss of driving privileges. It is more than mere inconvenience. Petitioner's driving privileges only be unavailable to the petitioner. An undue hardship is not shown by the mere fact that the driving privileges are suspended or revoked.

"Undue Hardship" relating to employment means, as used in the context of Sections 6-105(c)(1) and 6-106(c)(3) of the Code an extreme difficulty in getting to or from a petitioner's place of employment or to operate on a route during employment; e.g., as delivery person, because of the suspension, revocation, or cancellation of the petitioner's driving privileges. It is more than mere inconvenience on the petitioner and pertains only to the petitioner. All other reasonable means of transportation must be unavailable to the petitioner. An undue hardship is not shown by the mere fact that the driving privileges are suspended or revoked.

"Undue Hardship" as it relates to necessary medical care means an extreme difficulty in regard to getting to and from a location where the petitioner would be required to receive medical care. Immediate family receives examinations, therapy or treatment, etc., prescribed or recommended by a physician and, in the case of a diagnosis or clinical impression of alcoholism/chemical dependency, where a petitioner is participating in an ongoing support program as prescribed or recommended by a physician or other qualified professional. It means more than mere inconvenience. There must be no other reasonable alternative means of transportation available. An undue hardship is not demonstrated by

SECRETARY OF STATE

NOTICE OF EMERGENCY AMENDMENT(S)

the mere fact that the petitioner's driving privileges are suspended or revoked.

"Unsuccessful Attempt to Start The Vehicle" means anytime the BAID Permittee registers a BRAC reading of 0.025 or more when attempting to start the vehicle.

"Vehicle" for purposes of the Breath Alcohol Ignition Interlock Device Pilot Program, means any apparatus in, upon or by which any person or property is or may be transported or drawn upon a highway which is self-propelled, except for motorcycles moved solely by human power, motorized wheelchairs, and motorcycles.

"Vendor" means a retail or wholesale supplier of a device, and may include a service center.

"W/V" means weight of alcohol in the volume of breath based upon grams of alcohol per 210 liters of breath.

(Source: Emergency amendment at 20 Ill. Reg. 93.5.5, effective JUL 1 1996, for a maximum of 130 days)

Section 1001.401 Breath Alcohol Ignition Interlock Device Pilot Program

EMERGENCY

a) A pilot program is hereby established to integrate the issuance of a RDP(s) to a petitioner conditioned upon the use of a Breath Alcohol Ignition Interlock Device (BAID). The Secretary finds that a BAID Eligible Petitioner is one who has demonstrated through his/her driving record that he/she poses a serious threat to the public safety and welfare and that the issuance of driving privileges to such a person should be conditioned upon the use of the BAID to monitor the petitioner's driving performance for a substantial portion of the period for which the RDP has been issued. The Secretary shall determine the effectiveness of the BAID and its vendors, and will commence with the effective date of these rules and continue to date through June 30, 1996.

b) The Secretary shall notify any BAID Eligible Petitioner who requests a hearing of the requirements of the program. Notification may be accomplished in one of the following ways, though not limited thereto: informal hearing officer; phone contact; written notification. Any BAID Eligible Petitioner who requests additional information shall be given information regarding all of the provisions and conditions of the program, the availability of the device and the approved manufacturers or installers to contact for further information regarding installation, costs, maintenance, and other pertinent information.

SECRETARY OF STATE

NOTICE OF EMERGENCY AMENDMENT(S)

- c) All hearings involving a BAID Eligible Petitioner seeking driving relief shall be formal hearings. Any extension or modification of a RDP issued under the program must be done at an informal hearing. Any hearing involving a BAID Eligible Petitioner shall be conducted as any other hearing under this Part and all other applicable standards shall apply.
- d) The Secretary shall issue a RDP to a BAID Eligible Petitioner if, through the hearing process, the petitioner is determined to meet all of the requirements of Section 1001.140 of this Part and installs and utilizes a device in any motor vehicle operated by the BAID Eligible Petitioner as required by the RDP issued under the program.

- e) Prior to the taking of evidence at the hearing, or as soon as a Petitioner is determined to be BAID Eligible:

- 1) The Secretary shall make sure that the BAID Eligible Petitioner understands all of the provisions and conditions of the program that will apply to the RDP the BAID Eligible Petitioner must comply with. The Secretary shall advise the BAID Eligible Petitioner of this Part and install and utilize the device. The BAID Eligible Petitioner in the program does not guarantee issuance of a RDP, and that all costs associated with the device are the responsibility of the BAID Eligible Petitioner; and
- 2) The BAID Eligible Petitioner shall advise the Secretary that he/she understands all of the provisions and conditions of the program and whether he/she chooses to participate in the program. If the BAID Eligible Petitioner is unwilling to use the device, he/she shall be advised that no relief will be granted and no hearing will be held.

- f) After the hearing, the hearing officer shall consider the evidence and the relief requested and make a recommendation as in any other hearing under this Part.

- 1) If the hearing officer does not determine that the relief requested should be granted, an order denying relief shall be prepared.

- 2) If the hearing officer determines that a RDP should be granted, an order granting the RDP shall be prepared with the additional requirement that the RDP is conditional. The BAID Eligible Petitioner shall be required to continue use of the device. All RDPs issued under the program for hearings conducted after June 18, 1996 shall require continued use of the device for a substantial portion of the period for which the RDP has been issued.

- g) After the issuance of an order granting a RDP under this program, in addition to the other requirements under this Part, the installer BAID-Eligible-Petitioner must notify ~~provide~~ the Secretary that a device has been installed in the vehicle(s) designated to be used by the BAID Eligible Petitioner within seven (7) days from the date of the installation of the device. Proof of installation shall be in writing, on letterhead from the installer or manufacturer. The BAID Permittee may operate the vehicle for fourteen (14) days from the

SECRETARY OF STATE

NOTICE OF EMERGENCY AMENDMENT(S)

issuance of the RDP without the device installed only for the purpose of taking the vehicle to a manufacturer or installer for installation of the device. Petitioner shall have fourteen (14) days from the date of the RDP to have a device installed in the vehicle(s) to be monitored. If the BAID-Eligible-Petitioner does not comply with the device installation requirements, the BAID Permittee shall be notified by the Secretary. Failure to comply with these requirements will result in the denial of driving relief and the cancellation of any RDP issued.

- h) Any BAID Eligible Petitioner receiving a RDP under this program must comply with the following requirements:

- 1) Operate only a vehicle(s) with an installed, operating device authorized by the Secretary whether the vehicle is owned, rented, leased, loaned, or otherwise in the possession of the BAID Permittee as required by the RDP issued under the program;
- 2) Take the vehicle with the device installed to the manufacturer or installer or send the appropriate portion of the device to the manufacturer within the first thirty (30) days for an initial monitor report to help the BAID Permittee learn how to correctly use the device, and thereafter not sooner than every fifty (50) days nor longer than every sixty (60) days for the purposes of deferring and having a monitor report of the device's activity prepared and sent to the Secretary by the manufacturer or installer;
- 3) Take the vehicle with the device installed to the manufacturer or installer or send the appropriate portion of the device to the manufacturer for a monitor report within five (5) working days after any service or inspection notification.

- 4) Maintain a journal of events surrounding unsuccessful attempts to start the vehicle, failures to successfully complete a rolling test(s), or any problems with the device.

- 5) Upon receipt or nonreceipt of the monitor reports, the Secretary shall review them and take the following action:

- 1) For any BAID Permittee who fails to take the vehicle with the device in for timely monitor report(s) or send the appropriate portion of the device to the manufacturer for timely monitor report(s), send a letter to the BAID Permittee indicating that if the device is not taken in for a monitor report within ten (10) days after the date of the letter, the RDP will be cancelled. If the BAID Permittee's responsibility to contact the manufacturer to have a "make-use-monitor"-reports are covered.

- 2) For any BAID Permittee whose monitor report(s) shows five (5) or more unsuccessful attempts to start the vehicle, or a failure to successfully complete a rolling test, or a "make-use-monitor"-reports are covered, send a warning letter to the BAID Permittee indicating that future unsuccessful attempts to start the vehicle or cancel result

SECRETARY OF STATE

NOTICE OF EMERGENCY AMENDMENT(S)

in the BAIDP Permittee's vehicle being tested in for a hearing to cancel the RDP or the immediate cancellation of the RDP if the BAIDP Permittee's monitor report shows a failure to successfully complete a rolling test will result in the Secretary sending a letter to the BAIDP Permittee asking for an explanation of the unsuccessful attempt to start the vehicle or the failure to successfully complete a rolling test or competing with the recommendation of the device after the initial monitor report is received.

3) For any BAID Permittee whose monitor report(s) shows five (5) or more unsuccessful attempts to start the vehicle after the initial monitor report is received, the BAID Permittee a letter asking for an explanation of the failure to successfully complete a rolling test. If a response is received within twenty-one (21) days after the date of the Secretary's letter and it reasonably assures the Secretary that no violation occurred, no further action will be taken. If a response is not received within twenty-one (21) days or does not reasonably assure the Secretary, the RDP will be cancelled. The BAID Permittee and the device tested in for a hearing to determine if the RDP should be cancelled.

4) For any BAID Permittee whose monitor report(s) show a failure to successfully complete a rolling test, or any attempt with or without the device after the initial monitor report is received, the BAID Permittee a letter asking for an explanation of the failure to successfully complete a rolling test. If a response is received within twenty-one (21) days after the date of the Secretary's letter and it reasonably assures the Secretary that no violation occurred, no further action will be taken. If a response is not received within twenty-one (21) days or does not reasonably assure the Secretary, the RDP will be cancelled immediately after the RDP is received.

5) For any BAID Permittee whose monitor report(s) shows a BAC reading of 0.05 or more in a pattern of BAC readings consistent with the use of alcoholic beverages, regardless of any other provision contained herein, there shall arise a rebuttable presumption that the BAID Permittee consumed alcoholic beverages. The presumption may when and result in the immediate cancellation of the RDP if the BAID Permittee is required to abstain from alcohol, claimed abstinence at the time of the hearing, or agreed at the hearing not to consume alcohol to the point of attaining a BAC of 0.05 while attempting to drive a vehicle. In such case, the Secretary shall send a letter asking for an explanation of the BAC reading or the pattern of BAC readings consistent with the use of alcoholic beverages. If the BAID Permittee does not respond within twenty-one (21) days after the date of the Secretary's letter and it reasonably assures the Secretary of secret abstinence from alcohol, the RDP will be cancelled. If the BAID Permittee did not consume alcoholic beverages and further action will be taken. If a response is not received

SECRETARY OF STATE

NOTICE OF EMERGENCY AMENDMENT(S)

within twenty-one (21) days or does not reasonably assure the Secretary, the RDP will be cancelled. The presumption may be overcome at an administrative hearing requested by the BAID Permittee.

6) For any BAID Permittee whose initial monitor or monitor report(s) show any tampering with or unauthorized circumvention of the device or physical inspection by an installer shows any tampering with or unauthorized circumvention of the device shall immediately cancel the RDP and authorize the immediate removal, deinstallation of the device. For any BAID Permittee whose monitor report(s) shows a pattern of BAC readings consistent with the use of alcoholic beverages, regardless of any other provision contained herein, there shall arise a rebuttable presumption that the BAID Permittee consumed alcoholic beverages. The presumption may when and result in the immediate cancellation of the RDP if the BAID Permittee is required to abstain from alcohol, claimed abstinence at the time of the hearing, or agreed at the hearing not to consume alcohol to the point of attaining a BAC of 0.05 while attempting to drive a vehicle. In such case, the Secretary shall send a letter asking for an explanation of the BAC reading or the pattern of BAC readings consistent with the use of alcoholic beverages. If the BAID Permittee does not respond within twenty-one (21) days after the date of the Secretary's letter and it reasonably assures the Secretary of secret abstinence from alcohol, the RDP will be cancelled. If the BAID Permittee did not consume alcoholic beverages and further action will be taken. If a response is not received

7) Receipt of any one of the following shall also be grounds for immediate cancellation of a RDP issued under this program:

- 1) Any law enforcement report showing operation of a vehicle by a BAID Permittee without a device as required by the RDP issued under this program. The law enforcement officer shall, at the time of the RDP, contact the RDP and send it, or a copy of it, along with the RDP, to the Secretary.
- 2) Any law enforcement arrest/stop involving a failed rolling test or failure to take a rolling test if the officer's report indicates the use of alcoholic beverages and/or drugs by the BAID Permittee. The law enforcement officer shall, at the time of the stop, confiscate the RDP and send it or a copy, if the original is submitted to the court, along with a law enforcement report to the Secretary.
- 3) Written notification verification from a manufacturer/installer on a removal/deinstallation report form stating that their device previously installed in a Permittee's vehicle has been removed and/or is no longer being utilized by the Permittee, as required by subsection (d) above.
- 4) Any law enforcement report involving a DUI or other alcohol related arrest/stop.

k) Any BAID Permittee whose RDP issued under this program is cancelled shall have the right to request a hearing to contest the cancellation. The hearing shall be held within thirty (30) days of the cancellation with written notice (60) days prior to the hearing and cancellation. Such a hearing will be scheduled and held on an

SECRETARY OF STATE

NOTICE OF EMERGENCY AMENDMENT(S)

expedited basis. The hearing will be conducted as any other formal hearing under this Part. Any BAID Permittee whose RDP is cancelled under the provisions of subsection (1)(3) of this Section who admits to the cancellation, without penalty, may not request a hearing to contest the cancellation.

1) Any BAID Permittee whose RDP issued under this program is cancelled for any reason in this Section shall not be granted another hearing for any type of driving relief for one (1) year from the date of the cancellation, except to contest the cancellation as provided in subsection (4) above. BAID Permittees who voluntarily have their RDP's cancelled and have not committed any offense or act that would have been reason for the cancellation of their RDP may be granted a hearing for any type of driving relief within one (1) year from the date of cancellation.

m) Any formal order entered which grants the issuance of a RDP under this program shall, in addition to all other requirements, clearly indicate the following:

- 1) That the RDP is issued under the program;
- 2) That the BAID Permittee is aware of the program and all of its conditions precedent to the issuance of the RDP, and that the conditions precedent to the issuance of the RDP are the same as conditions precedent to the issuance of the RDP, in addition to all other requirements, clearly indicate;
- 3) That the permit is issued under the program, and when a vehicle operated by a BAID Permittee must be equipped with an installed, operating device;
- 4) That the provisions of the RDP also allow the BAID Permittee to drive to and from the manufacturer or installer for the purposes of installing the device within fourteen (14) days of the issuance of the RDP, or obtaining monitor reports, and any necessary servicing;

- 5) The Secretary authorizes DPH to check and monitor the manufacturers and installers as to their calibration and monitor report procedures;
- 6) The Secretary shall gather all monitor reports, any reports from DPH and any other information relative to the performance, dependability, reliability, and effectiveness of the use of the device. Such reports shall be evidence at any administrative hearing conducted by the Secretary;
- 7) The Secretary may have a medical or physical BAID modification for RDPs issued under the program.

(Source: Emergency amendment at 20 Ill. Reg. **JUL 1 1996**, for a maximum of 150 days)

Section 1001.442 Manufacturer's Responsibilities; Approval for Analyzing Alcohol Content of Breath; DPH Inspections; Disqualification of a Manufacturer; Designation and Assignment of Regions

EMERGENCY

SECRETARY OF STATE

NOTICE OF EMERGENCY AMENDMENT(S)

a) The responsibilities of a device manufacturer shall include:

- 1) The manufacturer shall carry product liability insurance with minimum liability limits of \$1 million per occurrence and \$3 million aggregate total. The liability insurance shall include coverage for defects in product design and materials as well as manufacturing, calibration, installation, and removal of devices. The proof of insurance shall include a statement from the insurance company that thirty (30) days notice will be given to the manufacturer and before cancellation of the insurance;
- 2) The manufacturer shall not employ, and shall not contract with the State, the Secretary and its officers, employees, and consultants, or officers, from all claims, demands, actions and costs, damages, which may arise, directly or indirectly, out of any act or omission by the manufacturer relating to the installation, service, repair, use or removal of a device;
- 3) The manufacturer of a device shall develop separate detailed written instructions regarding the installation, maintenance and the normal operation of the device;
- 4) The manufacturer shall provide an 800 customer service question/complaint hotline;
- 5) The manufacturer shall provide a training program for the individual operating the device on operation, maintenance, and safeguards against improper operations. The manufacturer shall warn the BAID Permittee that any tampering with or unauthorized circumvention of the device will result in the immediate cancellation of the RDP. The manufacturer shall instruct the BAID Permittee to maintain a log of all events surrounding training program to maintain a log of events surrounding failed readings or problems with the device;
- 6) The manufacturer shall provide informational materials to the Secretary for distribution to BAID Eligible Permittees;
- 7) The manufacturer shall provide a warranty of performance to ensure responsibility for support of service within a maximum of forty-eight (48) hours after notification of a failure for service commencement. This support shall be in effect during the period the device is required to be installed in a motor vehicle;
- 8) The manufacturer shall provide expert or other required testimony in any civil or criminal proceedings or administrative hearings as to the method of manufacture of the device, how said device functions, and the testing process by which the device was approved. In the event it should become necessary for the Secretary or DPH to provide testimony in any civil or criminal proceedings involving the approval or use of the device, the manufacturer shall reimburse the Secretary or DPH for any costs incurred in providing such testimony. Failure to provide this reimbursement shall result in withdrawal of approval for the device;
- 9) The leases, fee schedules, installation verification forms,

SECRETARY OF STATE

NOTICE OF EMERGENCY AMENDMENT(S)

three (3) BRAC readings of .05 or more within a thirty (30) minute period; five (5) or more unsuccessful attempts to start the vehicle after the initial monitor report; to notify BAID Permittee of the initial monitor report; a failure to successfully complete a rolling retest; after any attempted tampering or circumvention; every sixty (60) days after the initial monitor report.

B) The device shall be required to have Twenty-Four (24) Hour Lockout anytime the BAID Permittee registers three (3) BRAC readings of 0.05 or more within a thirty (30) minute period.

9) Any device to be approved shall provide for calibration at least once every sixty (60) days using a wet bath simulator or other approved equivalent procedure; i.e., dry gas standard.

10) Any manufacturer/service center/vendor who sells, rents, and/or leases ignition interlock devices in Illinois shall report to the Secretary of State, in writing, the name, address, and/or sales listing of the individual(s) who install, maintain, repair, and/or remove the device, the installer's location, the date, serial number of the device, the make and model of the vehicle it is installed in, and VIN number of the vehicle within fifteen (15) days of monthly tests using an agreed upon electronic transfer medium and format. The Secretary shall provide a copy of the information to DPH.

11) Any device which is not provided a preliminary approval or a final approval shall be re-tested at the request of the manufacturer but not more often than once in a given year.

12) A manufacturer may apply for preliminary approval of a device by submitting a written request to the Secretary and DPH certifying the device:

- A) Does not impede the safe operation of a vehicle.
- B) Minimizes opportunities to bypass the device.
- C) Performs accurately and reliably under normal conditions.
- D) BAID Permittee has a provision for stating a vehicle when the BAID Permittee has a provision for BAID, per 230/23.999.
- E) Satisfies the requirements for certification set forth in this Section.

13) The written request shall include all of the following information:

- A) The name and address of the manufacturer of the device.
- B) The name and model number of the device. A separate request is required for each model or type of device.
- C) A detailed description of the device, including complete instructions for installation, operation, service, repair and removal.
- D) Complete technical specifications describing the device's accuracy, reliability, security, data collection and recording, tamper detection, and environmental features.
- E) A complete and accurate copy of data from a state or

SECRETARY OF STATE

NOTICE OF EMERGENCY AMENDMENT(S)

nationally recognized certified laboratory test facility regarding the device's ability to meet or exceed the specifications in this Section.

2) A description of the manufacturer's present and two (2) year plan for distribution and service in Illinois.

3) The certification from the manufacturer that it will accept the region as a result of a random draw and will service all BAID Permittees residing in the designated region under standards established by that region.

14) The Secretary, in consultation with DPH, shall issue a preliminary approval or disapproval of a device no later than thirty (30) days after receipt of all required requested materials and certifications.

15) The manufacturer shall, within three (3) months after preliminary approval provide the Secretary and State Alcohol and Substance Testing Program:

A) A list of all locations in Illinois where the device may be purchased, rented, leased, installed, removed, serviced, repaired, calibrated, accuracy checked, inspected and monitored in an agreed upon format. The manufacturer shall notify the Secretary of any new locations or any locations which are closed;

B) For all production devices of which three (3) will be used for testing and for program administration at no cost;

C) Training for the Secretary's employees and DPH's inspectors and program administrator at no cost;

16) The manufacturer shall, at no cost to the State of Illinois, install the selected devices for field testing in the vehicles provided by the Secretary and DPH. DPH shall independently evaluate each device to ensure compliance with the requirements in this Section. The evaluation criteria include, but are not limited to, repeated testing of alcohol-laden samples, filtered samples, circumvention attempts and tampering.

17) A list of approved devices shall be maintained by the Secretary.

c) DPH inspections
DPH may conduct independent inspections on any of the devices, installers, service providers, or manufacturers to determine if they are in compliance with these rules. If the independent inspection indicates a noncompliance with the rules, DPH shall notify the Secretary and he shall require the manufacturer to correct any noncompliance. The manufacturer shall report in writing to the Secretary and DPH within thirty (30) days after receiving notification of the noncompliance any corrective actions taken.

d) Disqualification of a Manufacturer
The Secretary shall disqualify a manufacturer or installer from participation in the program upon written notification and a thirty (30) day opportunity to come into compliance in any of the following cases:

JOINT COMMITTEE ON ADMINISTRATIVE RULES
ILLINOIS GENERAL ASSEMBLYSTATEMENT OF RECOMMENDATION
TO PROPOSED RULEMAKING

OFFICE OF THE COMPTROLLER

Heading of the Part: Illinois Funeral or Burial Funds ActCode Citation: 38 Ill. Adm. Code 610

<u>Section Numbers:</u>	610.10	610.60
	610.20	610.70
	610.30	610.80
	610.40	610.90
	610.50	610. Exhibit A

Date Originally Published in the Illinois Register: 3/1/96

20 Ill. Reg. 3655

At its meeting on June 25, 1996, the Joint Committee on Administrative Rules considered the above cited rulemaking and recommends that the Comptroller continue to consult with affected trading partners through the existing rulemaking process. The Comptroller is advised that the existing rulemaking, such as: application of the rule to the 3 distinct industries affected; preparation and promulgation of a "Pre-Need Contract Booklet" as required by Section 1(a)(1)(e) of the Illinois Funeral or Burial Funds Act; license reporting requirement when funds retained exceed the cost of the funeral and related merchandise by more than 25%; and further clarification regarding irrevocability of a pre-need contract and assignability of a policy or annuity for the purpose of complying with Federal rules.

The agency should respond to this Recommendation in writing within 90 days after receipt of this Statement. Failure to respond will constitute refusal to accede to the Committee's Recommendation. The agency's response will be placed on the JOAR agenda for further consideration.

JOINT COMMITTEE ON ADMINISTRATIVE RULES
ILLINOIS GENERAL ASSEMBLYSTATEMENT OF OBJECTION
TO PROPOSED RULEMAKING

DEPARTMENT OF REVENUE

Heading of the Part: General Rule for All TaxesCode Citation: 86 Ill. Adm. Code 800

<u>Section Numbers:</u>	800.1000
	800.4000

Date Originally Published in the Illinois Register: 3/29/96

20 Ill. Reg. 5038

At its meeting on June 25, 1996, the Joint Committee on Administrative Rules objected to the above cited rulemaking because the Department is unduly limiting the statutory right granted to taxpayers to "transmit, by facsimile, any return or document required to be filed by the Department under any Act will be received by the Department" by establishing in rule that the Department will accept and return only when requested by the Department. If the Department believes the public's right to tax documents should be limited, it should seek a statutory amendment to narrow the existing broad authority to fax.

Failure of the agency to respond within 90 days after receipt of the Statement of Objection shall be deemed to be a refusal to respond under the Administrative Procedure Act and shall constitute withdrawal of this proposed rulemaking.

ILLINOIS ATTORNEY GENERAL

NOTICE OF PUBLIC INFORMATION

PROPOSED AMENDMENT TO CONSENT DECREE FOR REMEDIAL INVESTIGATION
AND FEASIBILITY STUDY FOR THE BELOIT CORPORATION FACILITY

ADDRESS: Comments should be addressed to Susan W. Horn/Elizabeth Wallace, Assistant Attorneys General, Environmental Bureau, Illinois Attorney General's Office, 100 W. Randolph St., 11th Floor, Chicago, Illinois 60601 and should refer to the Beloit Corporation facility.

SUPPLEMENTAL INFORMATION: In accordance with Section 122(i)(1) of CERCLA, notice is hereby given of a proposed amendment to Consent Decree for Remedial Investigation and Feasibility Study that is filed in the United States District Court for the Northern District of Illinois, Western Division, concerning the Beloit Corporation facility located near Rockton, Winnebago County, Illinois. The Amendment allows Beloit Corporation to construct and operate an interim source control action to address the presence of Volatile Organic Compounds (VOCs) in groundwater on the Beloit Corporation property. This interim source control action is in addition to the air FS work that Beloit Corporation is currently performing pursuant to the Consent Decree.

The State of Illinois may withdraw its consent if comments received disclose facts which indicate that the amendment is inappropriate, improper or inadequate. For thirty (30) days following the date of publication of the notice, the Illinois Attorney General will receive written comments relating to the interim consent order.

A copy of the proposed amendment can be found at the Talcott Public Library in Rockton, Illinois, and at the United States District Court for the Northern District of Illinois, Western Division in Rockford, Illinois.

DEPARTMENT OF NATURAL RESOURCES

NOTICE OF CODIFICATION CHANGES

- 1) Heading of the Title: Conservation
- 2) Code Citation: Title 17
- 3) Date of Administrative Code Division Review: July 1, 1996
- 4) Headings of Parts Affected:

The Department of Conservation was changed to Department of Natural Resources by Executive Order Number 2 (1995).

The Part and Section numbers of this Title are not changing. Only the Chapter heading, some subchapter headings, some Part headings and references to the agency within the text of the rules are being changed at this time.

Part Numbers	Headings:
110	Public Use of State Parks and Other Properties of the Department of Conservation
115	Competitive Tournament Fishing on State Owned and/or Leased Water Areas
140	Horse Barns at Sites Having Equestrian Use Areas
150	Regulations for the Letting of Concessions, Farm Leases, Sale of Buildings and Facilities, and Demolitions
170	Firewood Collection
180	Illinois Conservation Corps Summer Youth Employment Grants-in-aid Program
210	North Point Marina Vendors
220	The Federation of Archaeological Resources
270	Non-Federal Lands and Water Areas
300	Department of Conservation Lands Research on General Hunting and Trapping on Department-Owned or -Managed Sites
510	Hunting and Trapping Accidents
515	Scientific Permits
520	Nuisance Wildlife Control Permits
525	Cock Pheasant, Hungarian Partridge, Bobwhite Quail and Rabbit Hunting
530	Duck, Goose and Coot Hunting
590	Disease Free Certification and Quarantine Provisions for Propagation, Release, Importation, Exportation and Transportation of Game Mammals, Game Birds, Migratory Birds or Exotic Wildlife
745	Hunting Season for Game Breeding and Hunting Preserve Areas

DEPARTMENT OF NATURAL RESOURCES

NOTICE OF CODIFICATION CHANGES

- 750 Disposition of Deer Accidentally Killed by a Motor Vehicle or Other Non-Hunting Methods
- 830 Commercial Fishing and Musseling in Certain Waters of the State
- 850 Commercial Fishing in Lake Michigan
- 860 Fish Salvage, Transportation, Stocking, Importation and Exportation
- 870 The Taking of Fish and Wildlife
- 880 The Taking of Reptiles and Amphibians
- 890 Fish Removal With Chemicals
- 910 Field Trials on Department-Owned or Managed Sites
- 930 Field Trials on Non-Department Owned or Managed Lands
- 950 Dog Training on Department-Owned or -Managed Sites
- 960 Dog Training on Non-Department Owned or -Managed Land
- 1010 Illinois List of Endangered and Threatened Fauna
- 1050 Illinois List of Endangered and Threatened Flora
- 1070 Possession of Specimens or Products of Endangered or Threatened Species
- 1075 Consultation Procedures for Assessing Impacts of Agency Actions on Endangered and Threatened Species and Natural Areas
- 1510 Regulation of the Public Use of Illinois Dedicated Natural Areas
- 1530 The Forest Products Transportation Act
- 1535 Timber Buyer Licensing and Harvest Fees
- 1536 Forestry Development Cost-Share Program
- 1537 Forest Management Plan
- 1539 Seed Collection
- 1540 Distribution and Sale of Plant and Plant Materials
- 1545 Sale of Forest Products
- 1560 Forest Fire Protection Districts Act
- 1570 Rural Community Fire Protection Program
- 1580 Ginseng Harvest and Commerce Regulation
- 1590 Falconry and the Captive Propagation of Raptors
- 2010 Boat and Snowmobile Registration and Safety
- 2030 Designation of Restricted Waters in the State of Illinois
- 2070 Capacity Place Standards on Various Watercraft
- 2200 Confiscation of Licenses, Stamps and Permits
- 2300 Registration of Boats and Sailings Conducted for Rulemaking and Contested Cases
- 2550 Illinois Sale and Contest Procedures
- 3010 Illinois Snowmobile Grant Program
- 3020 Snowmobile Trail Establishment Fund Grant Program
- 3025 Open Space Lands Acquisition and Development Grant Program

DEPARTMENT OF NATURAL RESOURCES

NOTICE OF CODIFICATION CHANGES

- 3030 Land and Water Conservation Fund Grant Program
- 3040 Illinois Bicycle Path Grant Program

ILLINOIS COMMERCE COMMISSION
REQUEST FOR EXPEDITED CORRECTION

1) Heading of the Part: Telecommunications Access for Persons with Disabilities

2) Code Citation: 83 Ill. Adm. Code 755

3) Section Numbers:
Exhibit N

4) Date Proposal published in Illinois Register: July 28, 1995, 19 Ill. Reg. 10888

5) Date Addition published in Illinois Register: December 29, 1995, 19 Ill. Reg. 17105

6) Summary and Purpose of Expedited Correction: The rulemaking effective January 1, 1995 resulted in Exhibit N, the existing N that was repealed and a new N that resulted from relettering Exhibit M to N. This expedited correction produces one Exhibit N with a source note explaining the repeal and the relettering. The only change occurs in the language of the source note.

7) Information and questions regarding this request shall be directed to:

Name: Conrad Rubinkowski
Address: Office of General Counsel
Illinois Commerce Commission
527 East Capitol Avenue
P.O. Box 19280
Springfield, IL 62794-9280
Telephone: (217) 785-3922

ILLINOIS COMMERCE COMMISSION
REQUEST FOR EXPEDITED CORRECTION

TITLE 83: PUBLIC UTILITIES
CHAPTER 11: ILLINOIS COMMERCE COMMISSION
SUBCHAPTER 4: TELEPHONE UTILITIES

PART 755

TELECOMMUNICATIONS ACCESS FOR PERSONS WITH DISABILITIES

SUBPART A: GENERAL PROVISIONS

Section
755.10 Definitions
755.15 Dispute Procedures
755.20 Notice (Repealed)
755.25 Deviations (Repealed)

SUBPART B: LEC OBLIGATIONS

Section
755.100 Components of ITAP Services
755.105 Execution and Administration of ITAP
755.110 Publicity Concerning ITAP
755.115 Application Procedure and Processing
755.120 Equipment Set Specifications - TT
755.125 Equipment Set Specifications - Telebraille
755.130 Equipment Set Specifications - Text Telephone with LVD
755.135 Bids
755.140 ITAP Filing Requirements
755.145 Renewal of Agreements

SUBPART C: ELIGIBILITY AND PARTICIPATION

Section
755.200 Disability Certification
755.205 Eligibility and Application for Equipment Sets for Residents
755.210 Eligibility and Application for Equipment Sets for Organizations
755.215 Time Period for Possession
755.220 Shared Residence
755.225 Change of Address

SUBPART D: POSSESSION AND MAINTENANCE

Section
755.300 Equipment Ownership and Liability
755.305 Recipient Responsibility
755.310 Responsibility for Maintenance

SUBPART E: OVERSIGHT AND REVIEW

ILLINOIS COMMERCE COMMISSION

REQUEST FOR EXPEDITED CORRECTION

Section
755.400 Staff Liaison
755.405 Advisory Council
755.410 Advisory Council Rights
755.415 Biannual Workshop

SUBPART F: LINE CHARGE ADJUSTMENT MECHANISM

Section
755.500 Annual Filings
755.505 Intra-Exchange and Inter-Exchange Carrier Reports and Remittances to ITAC
755.510 Determination and Adjustment of the Line Charge
755.515 Notice and Filing Requirements
755.520 Interim Line Charge Adjustments
755.525 Waiver of Requirements of Section 755.500

EXHIBIT A Calculation of Monthly Line Charge (Schedule A-1)
EXHIBIT B Comparison of Present and Proposed Line Charges (Schedule A-2)
EXHIBIT C Projection Period Statement of Revenues and Expenses at Present Line Charge, As Adjusted (Schedule A-3)
EXHIBIT D Prior Calendar Year Actual Revenues Over/(Under) Expenses (Schedule A-4)
EXHIBIT E Schedule of Adjustment to Projected Cash Balance (Schedule A-5)
EXHIBIT F Supporting Schedule of Planned Capital Expenditures During Projection Period (Schedule A-6)
EXHIBIT G Schedule of Projected Increase to Cash Under Proposed Line Charge Before Cash Adjustment (Schedule A-7)
EXHIBIT H Comparison of Actual and Projected Line Charges (Schedule A-8)
EXHIBIT I Depreciation Schedule (Schedule A-9)
EXHIBIT J Projected Payroll Expenses, As Adjusted (Other than TPS Payroll Expenses) (Schedule A-10)
EXHIBIT K Projected Line Charge Piling Expenses (Schedule A-11)
EXHIBIT L Comparative Actual and Projected Balance Sheets, At Proposed Line Charge, As Adjusted (Schedule A-12)
EXHIBIT M Comparative Actual and Projected Statements of Revenues and Expenses at Proposed Line Charge, As Adjusted (Schedule A-13)
EXHIBIT N Local Exchange Carrier Monthly Report to ITAC
EXHIBIT-N Inter-Exchange---Monthly---Resistance---Report---to---ITAC
repeated?

AUTHORITY: Implementing Section 13-703 and authorized by Section 10-101 of the Public Utilities Act [20 ILCS 5/13-703 and 10-101].

SOURCE: Adopted at 12 Ill. Reg. 3687, effective February 1, 1988; amended at 14 Ill. Reg. 3041, effective February 15, 1990; emergency amendment at 14 Ill. Reg. 13375, effective March 29, 1990, for a maximum of 15 days; amended at 15 Ill. Reg. 5624, effective April 15, 1991; amended at 17 Ill. Reg. 5594,

ILLINOIS COMMERCE COMMISSION

REQUEST FOR EXPEDITED CORRECTION

effective March 31, 1993; amended at 19 Ill. Reg. 17105, effective January 1, 1996; expedited correction at 20 Ill. Reg. **9992**, effective January 1, 1996.

CAPITAL DEVELOPMENT BOARD

JULY 1996 REGULATORY AGENDA

- a) Part(s) (Heading and Code Citation): Procurement Practices (44 Ill. Adm. Code 910)

1) Rulemaking: Proposed Amendments

- A) Description: Sections 910.130 and 910.140 are being repealed and will be replaced in the new proposed rules providing for prequalification and suspension of architects and engineers. Section 910.250 is being repealed because it is superfluous and has no legal effect.

- B) Statutory Authority: Implementing the Capital Development Board Act (20 ILCS 3105) and authorized by Sections 9.06, 16 and 1A-11 of that Act, Illinois Purchasing Act (30 ILCS 505) and Architectural, Engineering, and Land Surveying, Qualifications Based Selection Act (30 ILCS 535).

- C) Scheduled meeting/hearing dates: None at this time.

- D) Date agency anticipates First Notice: October 1, 1996.

- E) Affect on small businesses, small municipalities or not for profit corporations: No effect on municipalities or not for profit corporations. Effect on small businesses (A/E firms) cannot be known exactly until new replacement rules are ready for proposal.

- F) Agency contact person for information:

Claire Gibson, Deputy Chief Counsel,
Wm. G. Stratton Building, 3rd Floor
401 South Spring Street
Springfield, IL 62706
217/782-8729

- G) Related rulemakings and other pertinent information: See A) above.

- b) Part(s) (Heading and Code Citation): Prequalification of Architects and Engineers, (44 Ill. Adm. Code 980)

1) Rulemaking: Proposed Repealer

- A) Description: This rule is being repealed and will be replaced by a new proposed rule.

- B) Statutory Authority: Implementing the Capital Development Board Act (20 ILCS 3105) and authorized by Sections 9.06, 16 and 1A-11 of that Act, Illinois Purchasing Act (30 ILCS 505)

CAPITAL DEVELOPMENT BOARD

JULY 1996 REGULATORY AGENDA

- and Architectural, Engineering, and Land Surveying, Qualifications Based Selection Act (30 ILCS 535).

- C) Scheduled meeting/hearing dates: None at this time.

- D) Date agency anticipates First Notice: October 1, 1996.

- E) Affect on small businesses, small municipalities or not for profit corporations: No effect on municipalities or not for profit corporations. Effect on small businesses (A/E firms) cannot be known exactly until new replacement rules are ready for proposal.

- F) Agency contact person for information:

Claire Gibson, Deputy Chief Counsel,
Wm. G. Stratton Building, 3rd Floor
401 South Spring Street
Springfield, IL 62706
217/782-8729

- G) Related rulemakings and other pertinent information:

See A) above.

- c) Part(s) (Heading and Code Citation): Prequalification of Architects and Engineers (44 Ill. Adm. Code 980)

1) Rulemaking: Proposed Rule

- A) Description: Rules for Prequalification and Selection of Architects and Engineers will be revised, primarily to reflect requirements of the Architectural, Engineering, and Land Surveying Qualifications Based Selections Act (30 ILCS 535).

- B) Statutory Authority: Implementing the Capital Development Board Act (20 ILCS 3105) and authorized by Sections 9.06, 16 and 1A-11 of that Act, Illinois Purchasing Act (30 ILCS 505) and Architectural, Engineering, and Land Surveying, Qualifications Based Selection Act (30 ILCS 535).

- C) Scheduled meeting/hearing dates: None at this time.

- D) Date agency anticipates First Notice: October 1, 1996.

- E) Affect on small businesses, small municipalities or not for profit corporations: No effect on municipalities or not for profit corporations. Effect on small businesses (A/E firms) cannot be known exactly until new replacement rules are ready

CAPITAL DEVELOPMENT BOARD

JULY 1996 REGULATORY AGENCY

for proposal.

F) Agency contact person for information:

Claire Gibson, Deputy Chief Counsel
Wm. G. Stratton Building, 3rd Floor
401 South Spring Street
Springfield, IL 62706
217/782-8729

G) Related rulemakings and other pertinent information: See A) above.

d) Part(s) (Heading and Code Citation): Selection of Architects/Engineers (A/E) (41 Ill. Admin. Code 100)

1) Rulemaking: Proposed Repeal

A) Description: This rule is being repealed and being replaced by a new proposed rule regarding selection of Architects, Engineers, and Land Surveying, Qualifications Based Selection Act (30 ILCS 535).

B) Statutory Authority: Implementing the Capital Development Board Act (30 ILCS 3105) and authorized by Sections 9.06, 16 and 1A-11 of that Act, Illinois Purchasing Act (30 ILCS 505) and Architectural, Engineering, and Land Surveying, Qualifications Based Selection Act (30 ILCS 535).

C) Scheduled meeting/hearing dates: None at this time.

D) Date agency anticipates First Notice: October 1, 1996.

E) Affect on small businesses, small municipalities or not for profit corporations: No effect on municipalities or not for profit corporations. No effect on small businesses (A/E firms) cannot be known exactly until new replacement rules are ready for proposal.

F) Agency contact person for information:

Claire Gibson, Deputy Chief Counsel
Wm. G. Stratton Building, 3rd Floor
401 South Spring Street
Springfield, IL 62706
217/782-8729

G) Related rulemakings and other pertinent information: See A) above.

CAPITAL DEVELOPMENT BOARD

JULY 1996 REGULATORY AGENCY

e) Part(s) (Heading and Code Citation): Selection of Architects/Engineers (A/E) (41 Ill. Admin. Code 100)

1) Rulemaking: Proposed Rule

A) Description: Rules for prequalification and Selection of Architects and Engineers will be revised, primarily to reflect requirements of the Architectural, Engineering, and Land Surveying Qualifications Based Selections Act (30 ILCS 535).

B) Statutory Authority: Implementing the Capital Development Board Act (30 ILCS 3105) and authorized by Sections 9.06, 16 and 1A-11 of that Act, Illinois Purchasing Act (30 ILCS 505) and Architectural, Engineering, and Land Surveying, Qualifications Based Selection Act (30 ILCS 535).

C) Scheduled meeting/hearing dates: None at this time.

D) Date agency anticipates First Notice: October 1, 1996

E) Affect on small businesses, small municipalities or not for profit corporations: No effect on municipalities or not for profit corporations. No effect on small businesses (A/E firms) cannot be known exactly until new replacement rules are ready for proposal.

F) Agency contact person for information:

Claire Gibson, Deputy Chief Counsel
Wm. G. Stratton Building, 3rd Floor
401 South Spring Street
Springfield, IL 62706
217/782-8729

G) Related rulemakings and other pertinent information: See A) above.

f) Part(s) (Heading and Code Citation): Illinois Accessibility Code (21 Ill. Admin. Code 400)

1) Rulemaking: Proposed Amendments

A) Description: Amendments will incorporate federal Americans with Disabilities Act (42 U.S.C. 12101 et seq.) provisions that are more stringent than existing Code requirements.

B) Statutory Authority: Implementing and authorized by the Environmental Barriers Act (40 ILCS 25).

CAPITAL DEVELOPMENT BOARD

JULY 1996 REGULATORY AGENOA

C) Scheduled meeting/hearing dates: None at this time.
However, committee (see (g) below) meets regularly.

D) Date agency anticipates First Notice: October 1, 1996.

E) Affect on small businesses, small municipalities or not for profit corporations: Will affect small businesses and municipalities that will affect the environment. The Environmental Barriers Act (40 ILCS 25) and the Americans with Disabilities Act (42 U.S.C. 12101 et seq.).

F) Agency contact person for information:

Claire Gibson, Deputy Chief Counsel
Ma. G. Stratton Building, 3rd floor
401 South Spring Street
Springfield, IL 62706
217/782-8723

G) Related rulemakings and other pertinent information: The Disabled Persons Advocacy Division of the Attorney General's Office (the agency charged with enforcement of the Environmental Barriers Act) has organized a large committee consisting of representatives of the Capital Development Board, disabled governmental entities (federal, state, municipal), disabled persons' organizations, building trades organizations, architects, and other interested persons to cooperatively draft the proposed amendments.

DEPARTMENT OF COMMERCE AND COMMUNITY AFFAIRS

JULY 1996 REGULATORY AGENOA

a) Part(s) (Heading and Code Citation): Illinois Enterprise Zone Program, 14 Ill. Adm. Code 320

1) Rulemaking:

A) Description: Section 520.700 of the Enterprise Zone Program High Impact Business is being amended to reflect recent legislative action and Section 520.1100 of the Enterprise Zone Program High Impact Service Facility Machinery and Equipment Sales tax exemption due to employment criteria.

B) Statutory Authority: Implementing and authorized by the Illinois Enterprise Zone Act (30 ILCS 655) [See Public Act 92-1109].

C) Scheduled meeting/hearing date: None at this time.

D) Date agency anticipates First Notice: September 15, 1996.

E) Affect on small businesses, small municipalities or not-for-profit corporations: This rulemaking may have some effect on small businesses, small municipalities and not-for-profit corporations.

F) Agency contact person for information:

Name: Brenda Yeager, Deputy Director
Address: IL Department of Commerce & Community Affairs
520 East Adams Street, 5th floor
Springfield, IL 62701
Telephone: 217/783-6174

G) Related rulemakings and other pertinent information: None.
b) Part(s) (Heading and Code Citation): State Administration of the Federal Community Development Block Grant Program for Small Cities, 47 Ill. Adm. Code 110

1) Rulemaking:

A) Description: This rulemaking will revise the program rules for the Community Development Assistance Program.

B) Statutory Authority: Implementing Section 46.37 and authorized by Section 46.42 of the Civil Administrative Code of Illinois (40 ILCS 605/46.37 and 46.42).

C) Scheduled meeting/hearing date: None at this time.

DEPARTMENT OF COMMERCE AND COMMUNITY AFFAIRS

JULY 1996 REGULATORY AGENDA

D) Date agency anticipates First Notice: September 15, 1996.

E) Affect on small businesses, small municipalities or not-for-profit corporations: Small businesses and small municipalities are encouraged to apply for Community Development Assistance Program funds. These amendments will not materially affect their ability to access funds.

F) Agency contact person for information:

Name: Mark C. Cause
Manager, Division of Community Assistance
Address: IL Department of Commerce & Community Affairs
620 East Adams Street, 5th Floor
Springfield, IL 62701
Telephone: 217/785-6193

G) Related rulemakings and other pertinent information: None.

c) Part(s) (Heading and Code Citation): Illinois Promotion Act Programs, 14 Ill. Adm. Code 510

1) Rulemaking:

A) Description: Sections 510.20, 510.70, 510.95 of the Tourism Marketing Grant Program rules are being amended to more accurately reflect the program intent to increase tourism-related business opportunities. Section 510.20 is being amended to update the definitions of the Regional Tourism Councils' Local Share Grant Amount, Eligible Promotional Projects and Total Project Cost in order to eliminate growth barriers and improve effectiveness of the program.

B) Statutory Authority: The Illinois Department of Commerce and Community Affairs, having been created pursuant to Executive Order No. 3 (effective 1973), has been empowered to administer the Illinois Promotion Act, implemented and authorized by Ill. Rev. Stat. 1991, Ch. 127, pars. 200-21 et seq. [20 ILCS 665].

C) Scheduled meeting/hearing date: None at this time.

D) Date agency anticipates First Notice: October 1996.

E) Affect on small businesses, small municipalities or not-for-profit corporations: A change in the Grant Amount and Local Share Amount will have an effect on these

DEPARTMENT OF COMMERCE AND COMMUNITY AFFAIRS

JULY 1996 REGULATORY AGENDA

entities.

F) Agency contact person for information:

Name: Marilyn Hurst
Address: IL Bureau of Tourism
IL Department of Commerce & Community Affairs
620 East Adams Street, 5th Floor
Springfield, IL 62701
Telephone: 217/544-2998

G) Related rulemakings and other pertinent information: None.

STATE BOARD OF EDUCATION
JULY 1996 REGULATORY AGENDA

- a) Part: Charter Schools; 23 Ill. Adm. Code 650

1) Rulemaking:

A) Description: Ordinary rules will be promulgated to replace the emergency rules currently in effect. The rules will be promulgated in response to P.A. 99-450. The rules will set forth the method for local school boards' submission to the State Board of Education for approving or denying charter school applications. The rules will also delineate the Board's review procedures, requirements for revision and renewal of charters, and the appeal process called for in the charter schools law.

B) Statutory Authority: 105 ILCS 5-27A-13

C) Scheduled meeting/hearing date: To be announced.

D) Date agency anticipates First Notice: July 19, 1996

E) Effect on small businesses, small municipalities, or not-for-profit corporations: None.

F) Agency contact person for information:

Sally Vogel
Agency Rules Coordinator
Illinois State Board of Education
100 North First Street
Springfield, Illinois 62777
(217) 782-0541

G) Related rulemakings and other pertinent information: None.

ILLINOIS HOUSING DEVELOPMENT AUTHORITY
JULY 1996 REGULATORY AGENDA

- a) Part(s) (Reading and Code Citation): National Affordable Housing Act (HOME) Program (47 Ill. Adm. Code 370)

1) Rulemaking:

A) Description: Amends rules to bring them into conformity with the federal HOME Program regulations.

B) Statutory Authority: This rulemaking implements Title II of the National Affordable Housing Act of 1990 (P.L. 101-165) (the "HOME Act") and the regulations promulgated thereunder (21 CFR Part 92) and are authorized by Sections 7.2, 7.19, 7.21(a) and 7.25 of the Illinois Housing Development Act [20 ILCS 1805/7.2, 7.19, 7.21(a) and 7.25].

C) Scheduled meeting/hearing date: August 16, 1996

D) Date agency anticipates First Notice: August 20, 1996

E) Effect on small businesses, small municipalities or not for profit corporations: Affects real estate developers.

F) Agency contact person for information:

Crystal Vaher, Esq.
Illinois Housing Development Authority
401 N. Michigan Ave., Ste. 900
Chicago, IL 60611
(312) 836-5333

G) Related rulemakings and other pertinent information: None

- b) Part(s) (Reading and Code Citation): Affordable Housing Bond Program (47 Ill. Adm Code 365)

1) Rulemaking:

A) Description: Amends rules to reflect timing of loan.

B) Statutory Authority: Sections 7.19 and 7.25 of the Illinois Housing Development Act [20 ILCS 1805/7.19 and 7.25] and Sections 4 and 7(e) of the Illinois Affordable Housing Act [110 ILCS 45.4 and 7(e)].

C) Scheduled meeting/hearing date: September 20, 1996

D) Date agency anticipates First Notice: October 1, 1996

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

JULY 1996 REGULATORY AGENDA

- B) Affect on small businesses, small municipalities or not for profit corporations: None

F) Agency contact person for information:

Lori Silver-Finkel, Esq.
Illinois Housing Development Authority
401 N. Michigan Ave., Ste. 900
Chicago, IL 60611
(312) 836-7341

- G) Related rulemakings and other pertinent information: None

- C) Part(s) (Heading and Code Citation): Public Information, Rulemaking and Organization (2 Ill. Adm. Code 1973)

1) Rulemaking:

- A) Description: Amends the number of board members in a quorum.
B) Statutory Authority: Section 6 of the Illinois Housing Development Act [20 ILCS 3605/6].

- C) Scheduled meeting/hearing date: September 20, 1996

- D) Date agency anticipates first notice: October 1, 1996

- E) Affect on small businesses, small municipalities or not for profit corporations: None

F) Agency contact person for information:

Richard B. Muller, Esq.
Illinois Housing Development Authority
401 N. Michigan Ave., Ste. 900
Chicago, IL 60611
(312) 836-5327

- G) Related rulemakings and other pertinent information: None

- D) Part(s) (Heading and Code Citation): Low-Income Housing Tax Credit Allocation (47 Ill. Adm. Code 350)

1) Rulemaking:

- A) Description: Amends rules to bring them into conformity with the

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

JULY 1996 REGULATORY AGENDA

- Illinois Housing Development Authority's Tax Credit Allocation Plan and Section 42 of the Internal Revenue Code (26 U.S.C. Section 42).

- B) Statutory Authority: Section 7.24 of the Illinois Housing Development Act [20 ILCS 3605/7.24].

- C) Scheduled meeting/hearing date: November 15, 1996

- D) Date agency anticipates first notice: November 26, 1996

- E) Affect on small businesses, small municipalities or not for profit corporations: None

F) Agency contact person for information:

Richard B. Muller, Esq.
Illinois Housing Development Authority
401 N. Michigan Ave., Ste. 900
Chicago, IL 60611
(312) 836-5327

- G) Related rulemakings and other pertinent information: None

- E) Part(s) (Heading and Code Citation): Single Family Mortgage Purchase Program II (47 Ill. Adm. Code 250), Homeowner Mortgage Revenue Loan Program (47 Ill. Adm. Code 360), Multifamily Rental Housing Mortgage Loan Program (47 Ill. Adm. Code 310), Affordable Housing Program (47 Ill. Adm. Code 360), Affordable Housing Bond Program (47 Ill. Adm. Code 365), Affordable Housing Bond Program - Single Family (47 Ill. Adm. Code 366), National Affordable Housing Act (HOME) Program (47 Ill. Adm. Code 370).

1) Rulemaking:

- A) Description: Amends waiver section of rules to comply with the Illinois Administrative Procedure Act.

- B) Statutory Authority: Implementing the Mortgage Subsidy Bond Tax Act of 1980 (26 U.S.C. Section 1034), Sections 4 and 7(e) of the Illinois Affordable Housing Act (310 ILCS 45.4 and 7(e)); Sections 7.14, 7.19, 7.23 and 7.25 of the Illinois Housing Development Act (20 ILCS 3605/7.14, 7.19, 7.23 and 7.25); Implements Title II of the National Affordable Housing Act of 1990 (P.L. 101-165) and the regulations promulgated thereunder (24 CFR Part 92); authorized by Sections 7.2, 7.19, 7.24(a) and 7.25 of the Illinois Housing Development Act [20 ILCS 3605/7.2, 7.19, 7.24(a), and 7.25].

ILLINOIS HOUSING DEVELOPMENT AUTHORITY

JULY 1996 REGULATORY AGENDA

C) Scheduled meeting/hearing date: October 18, 1996D) Date agency anticipates First Notice: November 10, 1996E) Affect on small businesses, small municipalities or not for profit corporations: NoneF) Agency contact person for information:

Stephanie Rodman, Esq.
 Illinois Housing Development Authority
 401 N. Michigan Ave., Ste. 900
 Chicago, IL 60611
 (312) 936-3343

G) Related rulemakings and other pertinent information: NoneDEPARTMENT OF MENTAL HEALTH
AND DEVELOPMENTAL DISABILITIES

JULY 1996 REGULATORY AGENDA

a) Part(s) (Heading and Code Citation): Grants (59 Ill. Adm. Code 103)1) Rulemaking:A) Description:

This Part will be amended to apply deemed status to community providers accredited by the Joint Commission on the Accreditation of Healthcare Organizations, the Council on Accreditation of Services for Families and Children, Accreditation Council of the Commission on Accreditation of Rehabilitation Facilities.

B) Statutory Authority: Implementing Sections 15, 34 and 34.1 of the Department of Mental Health and Developmental Disabilities Act (20 ILCS 1705/15, 34 and 34.1) and the Community Services Act (405 ILCS 30) and authorized by Section 5-134 of the Mental Health and Developmental Disabilities Code (405 ILCS 5.8-134) and Section 5 of the Department of Mental Health and Developmental Disabilities Act (20 ILCS 1705/5).

C) Scheduled meeting/hearing date: The Department has not scheduled any hearings on this rulemaking. However, the Department routinely involves other State agencies, such as the Department of Public Aid, and providers of services to individuals with developmental disabilities or mental illness in the development of its rules and amendments to those rules, through the formation of committees on which the providers and public state agencies are represented. The Department and public affected agencies rulemaking can actively participate in the rulemaking's development.

D) Date agency anticipates First Notice: September 1996.

E) Affect on small businesses, small municipalities or not for profit corporations? This rulemaking will affect grant-funded community providers of mental health and developmental disabilities.

F) Agency contact person for information:

Karl Menninger, II
 Bureau of Rules, Policies and Regulatory Review
 401 Stratton Building
 Springfield, IL 62765
 Telephone: (317) 782-8702

DEPARTMENT OF MENTAL HEALTH
AND DEVELOPMENTAL DISABILITIES

JULY 1996 REGULATORY AGENDA

C) Related rulemakings and other pertinent information: None.

- b) Part(s) (Heading and Code Citation(s)) Recipient Rights (59 Ill. Adm. Code 111) and Americans with Disabilities Act Grievance Procedures (4 Ill. Adm. Code 925)

1) Rulemaking:

A) Description:

Part 111 is being amended to make Section 111.20, Services to individuals who are deaf, hard-of-hearing, deaf-blind or impaired hearing, impaired, and/or who use manual/visual communication, more specific as to the types of services that community agencies and to clarify the use of family members as interpreters. Part 111.20 will be amended to add a new section 111.25, Services to hearing persons as well as to update terminology and statutory citations used in Part 111. Section 111.25, Services to Department recipients who are non-English or limited English speaking, is being added. This new Section was originally adopted in Section 111.20(b). Part 111 is also being amended to incorporate references to the Americans with Disabilities Act.

Part 925 will be added to reference the Department's grievance procedures under Title II, Subtitle A of the Americans with Disabilities Act at 59 Ill. Adm. Code 111.10.

- B) Statutory Authority: Section 111.10 implementing Section 504 of the Rehabilitation Act of 1973 (29 U.S.C.A. 794 (1995)) and 45 U.S.C. 160102, Title of the Civil Rights Act of 1964 (42 U.S.C. 140002) (1995), the Age Discrimination Act of 1975 (42 U.S.C. 6101 (1995)) and the Age Discrimination Act of 1975 (42 U.S.C. 6101 (1995)), Sections 111.20 and 111.25 implementing U.S.C.S. 12101 (1995). Sections 111.20 and 111.25 implementing Sections 2-102(a) and 4-205 of the Mental Health and Developmental Disabilities Code (405 ILCS 5/2-102(a) and 4-205).

- C) Scheduled meeting/hearing date: The Department has not scheduled any hearings in this rulemaking. However, the Department routinely involves other State agencies, such as the Department of Public Aid, and providers of services to individuals with developmental disabilities in the development of its rules and amendments to those rules, through the formation of committees on which the providers and other State agencies are represented. In this manner, the public affected by the rulemaking can actively participate in the rulemaking's development.

DEPARTMENT OF MENTAL HEALTH
AND DEVELOPMENTAL DISABILITIES

JULY 1996 REGULATORY AGENDA

D) Date agency anticipates First Notice: October 1996.

- E) Affect on small businesses, small municipalities or not for profit corporations: Only Section 111.20 of this rulemaking will affect non-profit community providers of mental health and developmental disabilities services.

F) Agency contact person for information:

Karl Menninger, II
Bureau of Rules, Policies and Regulatory Review
401 Stratton Building
Springfield, IL 62765
Telephone: (217)782-6702

G) Related rulemakings and other pertinent information: None.

- c) Part(s) (Heading and Code Citation(s)) Treatment and Rehabilitation Services (59 Ill. Adm. Code 112)

1) Rulemaking:

A) Description:

This part regulates the utilization review process, the admission, treatment and habilitation of persons with mental retardation, physical and dental examinations of recipients of services, the use of informed consent, release and burial of deceased recipient, protection of human subjects, and the use of narcotics and the use and administration of psychotropic drugs in Department facilities.

Sections 112.80 will be amended to delete the list of narcotics and psychotropic drugs for use in Department facilities since this is no longer required by statute. Section 112.90 will be amended to implement Sections 2-107.1 and 2-107.2 of the Mental Health and Developmental Disabilities Code (405 ILCS 5/2-107.1).

- B) Statutory Authority: Implementing Sections 2-107.1, 2-107.2, 2-107.3, 3-405, 3-403, 3-409, 3-410, 3-411, 3-412, 3-413, 3-414, 3-415, 3-416, 3-417, 3-418, 3-419, 3-420, 3-421, 3-422, 3-423, 3-424, 3-425, 3-426, 3-427, 3-428, 3-429, 3-430, 3-431, 3-432, 3-433, 3-434, 3-435, 3-436, 3-437, 3-438, 3-439, 3-440, 3-441, 3-442, 3-443, 3-444, 3-445, 3-446, 3-447, 3-448, 3-449, 3-450, 3-451, 3-452, 3-453, 3-454, 3-455, 3-456, 3-457, 3-458, 3-459, 3-460, 3-461, 3-462, 3-463, 3-464, 3-465, 3-466, 3-467, 3-468, 3-469, 3-470, 3-471, 3-472, 3-473, 3-474, 3-475, 3-476, 3-477, 3-478, 3-479, 3-480, 3-481, 3-482, 3-483, 3-484, 3-485, 3-486, 3-487, 3-488, 3-489, 3-490, 3-491, 3-492, 3-493, 3-494, 3-495, 3-496, 3-497, 3-498, 3-499, 3-500, 3-501, 3-502, 3-503, 3-504, 3-505, 3-506, 3-507, 3-508, 3-509, 3-510, 3-511, 3-512, 3-513, 3-514, 3-515, 3-516, 3-517, 3-518, 3-519, 3-520, 3-521, 3-522, 3-523, 3-524, 3-525, 3-526, 3-527, 3-528, 3-529, 3-530, 3-531, 3-532, 3-533, 3-534, 3-535, 3-536, 3-537, 3-538, 3-539, 3-540, 3-541, 3-542, 3-543, 3-544, 3-545, 3-546, 3-547, 3-548, 3-549, 3-550, 3-551, 3-552, 3-553, 3-554, 3-555, 3-556, 3-557, 3-558, 3-559, 3-560, 3-561, 3-562, 3-563, 3-564, 3-565, 3-566, 3-567, 3-568, 3-569, 3-570, 3-571, 3-572, 3-573, 3-574, 3-575, 3-576, 3-577, 3-578, 3-579, 3-580, 3-581, 3-582, 3-583, 3-584, 3-585, 3-586, 3-587, 3-588, 3-589, 3-590, 3-591, 3-592, 3-593, 3-594, 3-595, 3-596, 3-597, 3-598, 3-599, 3-600, 3-601, 3-602, 3-603, 3-604, 3-605, 3-606, 3-607, 3-608, 3-609, 3-610, 3-611, 3-612, 3-613, 3-614, 3-615, 3-616, 3-617, 3-618, 3-619, 3-620, 3-621, 3-622, 3-623, 3-624, 3-625, 3-626, 3-627, 3-628, 3-629, 3-630, 3-631, 3-632, 3-633, 3-634, 3-635, 3-636, 3-637, 3-638, 3-639, 3-640, 3-641, 3-642, 3-643, 3-644, 3-645, 3-646, 3-647, 3-648, 3-649, 3-650, 3-651, 3-652, 3-653, 3-654, 3-655, 3-656, 3-657, 3-658, 3-659, 3-660, 3-661, 3-662, 3-663, 3-664, 3-665, 3-666, 3-667, 3-668, 3-669, 3-670, 3-671, 3-672, 3-673, 3-674, 3-675, 3-676, 3-677, 3-678, 3-679, 3-680, 3-681, 3-682, 3-683, 3-684, 3-685, 3-686, 3-687, 3-688, 3-689, 3-690, 3-691, 3-692, 3-693, 3-694, 3-695, 3-696, 3-697, 3-698, 3-699, 3-700, 3-701, 3-702, 3-703, 3-704, 3-705, 3-706, 3-707, 3-708, 3-709, 3-710, 3-711, 3-712, 3-713, 3-714, 3-715, 3-716, 3-717, 3-718, 3-719, 3-720, 3-721, 3-722, 3-723, 3-724, 3-725, 3-726, 3-727, 3-728, 3-729, 3-730, 3-731, 3-732, 3-733, 3-734, 3-735, 3-736, 3-737, 3-738, 3-739, 3-740, 3-741, 3-742, 3-743, 3-744, 3-745, 3-746, 3-747, 3-748, 3-749, 3-750, 3-751, 3-752, 3-753, 3-754, 3-755, 3-756, 3-757, 3-758, 3-759, 3-760, 3-761, 3-762, 3-763, 3-764, 3-765, 3-766, 3-767, 3-768, 3-769, 3-770, 3-771, 3-772, 3-773, 3-774, 3-775, 3-776, 3-777, 3-778, 3-779, 3-780, 3-781, 3-782, 3-783, 3-784, 3-785, 3-786, 3-787, 3-788, 3-789, 3-790, 3-791, 3-792, 3-793, 3-794, 3-795, 3-796, 3-797, 3-798, 3-799, 3-800, 3-801, 3-802, 3-803, 3-804, 3-805, 3-806, 3-807, 3-808, 3-809, 3-810, 3-811, 3-812, 3-813, 3-814, 3-815, 3-816, 3-817, 3-818, 3-819, 3-820, 3-821, 3-822, 3-823, 3-824, 3-825, 3-826, 3-827, 3-828, 3-829, 3-830, 3-831, 3-832, 3-833, 3-834, 3-835, 3-836, 3-837, 3-838, 3-839, 3-840, 3-841, 3-842, 3-843, 3-844, 3-845, 3-846, 3-847, 3-848, 3-849, 3-850, 3-851, 3-852, 3-853, 3-854, 3-855, 3-856, 3-857, 3-858, 3-859, 3-860, 3-861, 3-862, 3-863, 3-864, 3-865, 3-866, 3-867, 3-868, 3-869, 3-870, 3-871, 3-872, 3-873, 3-874, 3-875, 3-876, 3-877, 3-878, 3-879, 3-880, 3-881, 3-882, 3-883, 3-884, 3-885, 3-886, 3-887, 3-888, 3-889, 3-890, 3-891, 3-892, 3-893, 3-894, 3-895, 3-896, 3-897, 3-898, 3-899, 3-900, 3-901, 3-902, 3-903, 3-904, 3-905, 3-906, 3-907, 3-908, 3-909, 3-910, 3-911, 3-912, 3-913, 3-914, 3-915, 3-916, 3-917, 3-918, 3-919, 3-920, 3-921, 3-922, 3-923, 3-924, 3-925, 3-926, 3-927, 3-928, 3-929, 3-930, 3-931, 3-932, 3-933, 3-934, 3-935, 3-936, 3-937, 3-938, 3-939, 3-940, 3-941, 3-942, 3-943, 3-944, 3-945, 3-946, 3-947, 3-948, 3-949, 3-950, 3-951, 3-952, 3-953, 3-954, 3-955, 3-956, 3-957, 3-958, 3-959, 3-960, 3-961, 3-962, 3-963, 3-964, 3-965, 3-966, 3-967, 3-968, 3-969, 3-970, 3-971, 3-972, 3-973, 3-974, 3-975, 3-976, 3-977, 3-978, 3-979, 3-980, 3-981, 3-982, 3-983, 3-984, 3-985, 3-986, 3-987, 3-988, 3-989, 3-990, 3-991, 3-992, 3-993, 3-994, 3-995, 3-996, 3-997, 3-998, 3-999, 4-000, 4-001, 4-002, 4-003, 4-004, 4-005, 4-006, 4-007, 4-008, 4-009, 4-010, 4-011, 4-012, 4-013, 4-014, 4-015, 4-016, 4-017, 4-018, 4-019, 4-020, 4-021, 4-022, 4-023, 4-024, 4-025, 4-026, 4-027, 4-028, 4-029, 4-030, 4-031, 4-032, 4-033, 4-034, 4-035, 4-036, 4-037, 4-038, 4-039, 4-040, 4-041, 4-042, 4-043, 4-044, 4-045, 4-046, 4-047, 4-048, 4-049, 4-050, 4-051, 4-052, 4-053, 4-054, 4-055, 4-056, 4-057, 4-058, 4-059, 4-060, 4-061, 4-062, 4-063, 4-064, 4-065, 4-066, 4-067, 4-068, 4-069, 4-070, 4-071, 4-072, 4-073, 4-074, 4-075, 4-076, 4-077, 4-078, 4-079, 4-080, 4-081, 4-082, 4-083, 4-084, 4-085, 4-086, 4-087, 4-088, 4-089, 4-090, 4-091, 4-092, 4-093, 4-094, 4-095, 4-096, 4-097, 4-098, 4-099, 4-100, 4-101, 4-102, 4-103, 4-104, 4-105, 4-106, 4-107, 4-108, 4-109, 4-110, 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4-254, 4-255, 4-256, 4-257, 4-258, 4-259, 4-260, 4-261, 4-262, 4-263, 4-264, 4-265, 4-266, 4-267, 4-268, 4-269, 4-270, 4-271, 4-272, 4-273, 4-274, 4-275, 4-276, 4-277, 4-278, 4-279, 4-280, 4-281, 4-282, 4-283, 4-284, 4-285, 4-286, 4-287, 4-288, 4-289, 4-290, 4-291, 4-292, 4-293, 4-294, 4-295, 4-296, 4-297, 4-298, 4-299, 4-300, 4-301, 4-302, 4-303, 4-304, 4-305, 4-306, 4-307, 4-308, 4-309, 4-310, 4-311, 4-312, 4-313, 4-314, 4-315, 4-316, 4-317, 4-318, 4-319, 4-320, 4-321, 4-322, 4-323, 4-324, 4-325, 4-326, 4-327, 4-328, 4-329, 4-330, 4-331, 4-332, 4-333, 4-334, 4-335, 4-336, 4-337, 4-338, 4-339, 4-340, 4-341, 4-342, 4-343, 4-344, 4-345, 4-346, 4-347, 4-348, 4-349, 4-350, 4-351, 4-352, 4-353, 4-354, 4-355, 4-356, 4-357, 4-358, 4-359, 4-360, 4-361, 4-362, 4-363, 4-364, 4-365, 4-366, 4-367, 4-368, 4-369, 4-370, 4-371, 4-372, 4-373, 4-374, 4-375, 4-376, 4-377, 4-378, 4-379, 4-380, 4-381, 4-382, 4-383, 4-384, 4-385, 4-386, 4-387, 4-388, 4-389, 4-390, 4-391, 4-392, 4-393, 4-394, 4-395, 4-396, 4-397, 4-398, 4-399, 4-400, 4-401, 4-402, 4-403, 4-404, 4-405, 4-406, 4-407, 4-408, 4-409, 4-410, 4-411, 4-412, 4-413, 4-414, 4-415, 4-416, 4-417, 4-418, 4-419, 4-420, 4-421, 4-422, 4-423, 4-424, 4-425, 4-426, 4-427, 4-428, 4-429, 4-430, 4-431, 4-432, 4-433, 4-434, 4-435, 4-436, 4-437, 4-438, 4-439, 4-440, 4-441, 4-442, 4-443, 4-444, 4-445, 4-446, 4-447, 4-448, 4-449, 4-450, 4-451, 4-452, 4-453, 4-454, 4-455, 4-456, 4-457, 4-458, 4-459, 4-460, 4-461, 4-462, 4-463, 4-464, 4-465, 4-466, 4-467, 4-468, 4-469, 4-470, 4-471, 4-472, 4-473, 4-474, 4-475, 4-476, 4-477, 4-478, 4-479, 4-480, 4-481, 4-482, 4-483, 4-484, 4-485, 4-486, 4-487, 4-488, 4-489, 4-490, 4-491, 4-492, 4-493, 4-494, 4-495, 4-496, 4-497, 4-498, 4-499, 4-500, 4-501, 4-502, 4-503, 4-504, 4-505, 4-506, 4-507, 4-508, 4-509, 4-510, 4-511, 4-512, 4-513, 4-514, 4-515, 4-516, 4-517, 4-518, 4-519, 4-520, 4-521, 4-522, 4-523, 4-524, 4-525, 4-526, 4-527, 4-528, 4-529, 4-530, 4-531, 4-532, 4-533, 4-534, 4-535, 4-536, 4-537, 4-538, 4-539, 4-540, 4-541, 4-542, 4-543, 4-544, 4-545, 4-546, 4-547, 4-548, 4-549, 4-550, 4-551, 4-552, 4-553, 4-554, 4-555, 4-556, 4-557, 4-558, 4-559, 4-560, 4-561, 4-562, 4-563, 4-564, 4-565, 4-566, 4-567, 4-568, 4-569, 4-570, 4-571, 4-572, 4-573, 4-574, 4-575, 4-576, 4-577, 4-578, 4-579, 4-580, 4-581, 4-582, 4-583, 4-584, 4-585, 4-586, 4-587, 4-588, 4-589, 4-590, 4-591, 4-592, 4-593, 4-594, 4-595, 4-596, 4-597, 4-598, 4-599, 4-600, 4-601, 4-602, 4-603, 4-604, 4-605, 4-606, 4-607, 4-608, 4-609, 4-610, 4-611, 4-612, 4-613, 4-614, 4-615, 4-616, 4-617, 4-618, 4-619, 4-620, 4-621, 4-622, 4-623, 4-624, 4-625, 4-626, 4-627, 4-628, 4-629, 4-630, 4-631, 4-632, 4-633, 4-634, 4-635, 4-636, 4-637, 4-638, 4-639, 4-640, 4-641, 4-642, 4-643, 4-644, 4-645, 4-646, 4-647, 4-648, 4-649, 4-650, 4-651, 4-652, 4-653, 4-654, 4-655, 4-656, 4-657, 4-658, 4-659, 4-660, 4-661, 4-662, 4-663, 4-664, 4-665, 4-666, 4-667, 4-668, 4-669, 4-670, 4-671, 4-672, 4-673, 4-674, 4-675, 4-676, 4-677, 4-678, 4-679, 4-680, 4-681, 4-682, 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4-826, 4-827, 4-828, 4-829, 4-830, 4-831, 4-832, 4-833, 4-834, 4-835, 4-836, 4-837, 4-838, 4-839, 4-840, 4-841, 4-842, 4-843, 4-844, 4-845, 4-846, 4-847, 4-848, 4-849, 4-850, 4-851, 4-852, 4-853, 4-854, 4-855, 4-856, 4-857, 4-858, 4-859, 4-860, 4-861, 4-862, 4-863, 4-864, 4-865, 4-866, 4-867, 4-868, 4-869, 4-870, 4-871, 4-872, 4

DEPARTMENT OF MENTAL HEALTH
AND DEVELOPMENTAL DISABILITIES

JULY 1996 REGULATORY AGENCY

- C) Scheduled meeting/hearing date: The Department has not scheduled any hearings on this rulemaking.
- D) Date agency anticipates First Notice: November 1996.
- E) Affect on small businesses, small municipalities or not for profit corporations? This rulemaking will not affect small businesses, small municipalities or not for profit corporations. This rulemaking will only affect Department-Operated facilities.
- F) Agency contact person for information:

Karl Menninger, II
Bureau of Rules, Policies and Regulatory Review
401 Stratton Building
Springfield, IL 62765
Telephone: (217)782-6702

- G) Related rulemakings and other pertinent information: None.

- d) Part(s) (Heading and Code Citation): Minimum Standards for Licensure of Community Residential Alternatives (9 Ill. Adm. Code 113)

1) Rulemaking:

A) Description:

This Part will be amended to implement the waiver process required by the Health Care Worker Background Check Act (225 ILCS 46) and to apply deemed status to community providers accredited by the Joint Commission on Accreditation of Healthcare Organizations, the Council on Accreditation of Services for Families and Children, Accreditation Council of the Commission on Accreditation of Rehabilitation Facilities.

- B) Statutory Authority: Implementing the Health Care Worker Background Check Act (225 ILCS 46) and the Community Residential Alternative Licensing Act (210 ILCS 40) and authorized by the Community Residential Alternative Licensing Act (210 ILCS 40), Section 5-04 of the Mental Health and Developmental Disabilities Code (105 ILCS 5/3-104) and Section 5 of the Department of Mental Health and Developmental Disabilities Act (20 ILCS 1705/5).

- C) Scheduled meeting/hearing date: The Department has not scheduled any hearings on this rulemaking. However, the

DEPARTMENT OF MENTAL HEALTH
AND DEVELOPMENTAL DISABILITIES

JULY 1996 REGULATORY AGENCY

Department routinely involves other State agencies, such as the Department of Public Aid, and providers of services to individuals with developmental disabilities or mental illness in the development of its rules and amendments to those rules, through the formation of committees on which the providers and other State agencies are represented. In this manner, the public affected by the rulemaking, can actively participate in the rulemaking's development.

- D) Date agency anticipates First Notice: August 1996.

- E) Affect on small businesses, small municipalities or not for profit corporations? This rulemaking will affect community providers of community residential alternatives.

- F) Agency contact person for information:

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401 Stratton Building
Springfield, IL 62765
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- G) Related rulemakings and other pertinent information: None.

- e) Part(s) (Heading and Code Citation): Standards and Licensure Requirements for Community-Integrated Living Arrangements (9 Ill. Adm. Code 115)

1) Rulemaking:

A) Description:

This Part will be amended to implement the waiver process required by the Health Care Worker Background Check Act (225 ILCS 46), to apply deemed status to community providers accredited by the Joint Commission on Accreditation of Healthcare Organizations, the Council on Accreditation of Services for Families and Children, Accreditation Council of the Commission on Accreditation of Rehabilitation Facilities and to implement P.A. 89-31, approved and effective June 23, 1995.

- B) Statutory Authority: Implementing the Community-Integrated Living Arrangements Licensure and Certification Act (210 ILCS 135) and the Health Care Worker Background Check Act (225 ILCS 46) and authorized by Section 5 of the Mental Health and Developmental Disabilities Code (105 ILCS 5/3-104) and Section 5

DEPARTMENT OF MENTAL HEALTH
AND DEVELOPMENTAL DISABILITIES

JULY 1996 REGULATORY AGENCIES

of the Department of Mental Health and Developmental Disabilities Act (20 ILCS 1705/5).

- C) Scheduled meetings/hearing date: The Department has not scheduled any hearings on this rulemaking. However, the Department routinely involves other State agencies, such as the Department of Public Aid, and providers of services to individuals with developmental disabilities or mental illness in the development of its rules and amendments to those rules, through the formation of committees on which the providers and other State agencies are represented. In this manner, the public affected by the rulemaking can actively participate in the rulemaking's development.

- D) Date agency anticipates first notice: August 1996.

- E) Affect on small businesses, small municipalities or not for profit corporations? This rulemaking will affect community providers of community-integrated living arrangements residential services.

- F) Agency contact person for information:

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401 Stratton Building
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Telephone: (217)782-6702

- G) Related rulemakings and other pertinent information: None.

- 5) Part(s) (Heading and Code Citation): Minimum Standards for Certification of Developmental Training Programs (59 Ill. Adm. Code 119)

1) Rulemaking:A) Description:

This Part will be amended to implement the waiver process required by the Health Care Worker Background Check Act (225 ILCS 46) and to apply deemed status to community providers accredited by the Joint Commission on the Accreditation of Healthcare Organizations, the Council on Accreditation of Services for Families and Children, Accreditation Council of the Commission on Accreditation of Rehabilitation Facilities.

DEPARTMENT OF MENTAL HEALTH
AND DEVELOPMENTAL DISABILITIES

JULY 1996 REGULATORY AGENCIES

- B) Statutory Authority: Implementing Section 15-2 of the Department of Mental Health and Developmental Disabilities Act (20 ILCS 1705/2), the Department of Mental Health and Developmental Disabilities Act (20 ILCS 1705/46) and authorized by Section 5-104 of the Mental Health and Developmental Disabilities Code (405 ILCS 5/5-104 and Section 5 of the Department of Mental Health and Developmental Disabilities Act (20 ILCS 1705/5)).

- C) Scheduled meetings/hearing date: The Department has not scheduled any hearings on this rulemaking. However, the Department routinely involves other State agencies, such as the Department of Public Aid, and providers of services to individuals with developmental disabilities or mental illness in the development of its rules and amendments to those rules, through the formation of committees on which the providers and other State agencies are represented. In this manner, the public affected by the rulemaking can actively participate in the rulemaking's development.

- D) Date agency anticipates first notice: August 1996.

- E) Affect on small businesses, small municipalities or not for profit corporations? This rulemaking will affect community providers of developmental training programs.

- F) Agency contact person for information:

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401 Stratton Building
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Telephone: (217)782-6702

- G) Related rulemakings and other pertinent information: None.

- 9) Part(s) (Heading and Code Citation): Early Intervention Program (59 Ill. Adm. Code 121)

1) Rulemaking:A) Description:

This Part will be amended to apply deemed status to community providers accredited by the Joint Commission on the Accreditation of Healthcare Organizations, the Council on Accreditation of Services for Families and Children.

DEPARTMENT OF MENTAL HEALTH
AND DEVELOPMENTAL DISABILITIES

JULY 1996 REGULATORY AGENDA

Accreditation Council or the Commission on Accreditation of Rehabilitation Facilities.

- B) Statutory Authority: Implementing and authorized by Section 9 of the Early Intervention Services System Act (325 ILCS 20/9).

C) Scheduled meeting/hearing date: The Department has not scheduled any hearings on this rulemaking. However, the Department routinely involves other State agencies, such as the Department of Public Aid, and providers of services to individuals with developmental disabilities or mental illness in the development of its rules and amendments to those rules, through the formation of committees on which the providers and other State agencies are represented. In this manner, the public affected by the rulemaking, can actively participate in the rulemaking's development.

- D) Date agency anticipates First Notice: September 1996.

E) Affect on small businesses, small municipalities or not for profit corporations? This rulemaking will affect community providers of early intervention programs.

- F) Agency contact person for information:

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401 Stratton Building
Springfield, IL 62765
Telephone: (217)792-6702

- G) Related rulemakings and other pertinent information: None.

- h) Part(s) (Heading and Code Citation): Recipient Discharge/Linkage Aftercare (59 Ill. Adm. Code 125)

- 1) Rulemaking:

- A) Description:

Part 125 will be amended to update language and to reflect current Department policy.

- B) Statutory Authority: Implementing Sections 15, 15.1, 15a, 15b and 16 of the Department of Mental Health and Developmental Disabilities Act (20 ILCS 1705/15, 15.1, 15a, 15b and 16) and authorized by Section 9-104 of the Mental Health and

DEPARTMENT OF MENTAL HEALTH
AND DEVELOPMENTAL DISABILITIES

JULY 1996 REGULATORY AGENDA

Developmental Disabilities Code (405 ILCS 5/5-104 and Section 5 of the Department of Mental Health and Developmental Disabilities Act (20 ILCS 1705/5).

- C) Scheduled meeting/hearing date: The Department has not scheduled any hearings on this rulemaking. However, the Department routinely involves other State agencies, such as the Department of Public Aid, and providers of services to individuals with developmental disabilities or mental illness in the development of its rules and amendments to those rules, through the formation of committees on which the providers and other State agencies are represented. In this manner, the public affected by the rulemaking, can actively participate in the rulemaking's development.

- D) Date agency anticipates First Notice: December 1996.

E) Affect on small businesses, small municipalities or not for profit corporations? This rulemaking will impact community providers of mental health and developmental disabilities services where the Department has placed discharged individuals. The Department monitors services provided to these individuals by these agencies.

- F) Agency contact person for information:

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- G) Related rulemakings and other pertinent information: None.

- i) Part(s) (Heading and Code Citation): Medicaid Community Mental Health Services Program (59 Ill. Adm. Code 132)

- 1) Rulemaking:

- A) Description:

This Part will be amended to apply deemed status to community providers accredited by the Joint Commission on Accreditation of Healthcare Organizations, the Council on Accreditation of Services for Families and Children, Accreditation Council or the Commission on Accreditation of

DEPARTMENT OF MENTAL HEALTH
AND DEVELOPMENTAL DISABILITIES

JULY 1996 REGULATORY AGENDA

Rehabilitation Facilities.

- B) Statutory Authority: Implementing and authorized by the Community Services Act (405 ILCS 30) and Section 15.3 of the Department of Mental Health and Developmental Disabilities Act (20 ILCS 1705/15.3).
- C) Scheduled meeting/hearing date: The Department has not scheduled any hearings on this rulemaking. However, the Department routinely involves other State agencies, such as the Department of Public Aid, and providers of services to individuals with developmental disabilities or mental illness in the development of its rules and amendments to those rules, through the formation of committees on which the providers and other State agencies are represented. In this manner, the public affected by the rulemaking, can actively participate in the rulemaking's development.
- D) Date agency anticipates First Notice: September 1996.
- E) Affect on small businesses, small municipalities or not for profit corporations? This rulemaking will affect community providers of medical community mental health services programs.
- F) Agency contact person for information:

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- G) Related rulemakings and other pertinent information: None.

- J) Part(s) (Heading and Code Citation): Individual Care Grants for Mentally Ill Children (59 Ill. Adm. Code 135)

1) Rulemaking:

A) Description:

Part 135 will be amended to update language and to reflect current Department policy.

- B) Statutory Authority: Implementing Section 7.1 of the Department of Mental Health and Developmental Disabilities Act (20 ILCS

DEPARTMENT OF MENTAL HEALTH
AND DEVELOPMENTAL DISABILITIES

JULY 1996 REGULATORY AGENDA

1705/7.1) and authorized by Section 5-104 of the Mental Health and Developmental Disabilities Code (405 ILCS 5/5-104 and Section 5 of the Department of Mental Health and Developmental Disabilities Act (20 ILCS 1705/5).

- C) Scheduled meeting/hearing date: The Department has not scheduled any hearings on this rulemaking. However, the Department routinely involves other State agencies, such as the Department of Public Aid, and providers of services to individuals with developmental disabilities or mental illness in the development of its rules and amendments to those rules, through the formation of committees on which the providers and other State agencies are represented. In this manner, the public affected by the rulemaking, can actively participate in the rulemaking's development.

- D) Date agency anticipates First Notice: October 1996.

- E) Affect on small businesses, small municipalities or not for profit corporations? This rulemaking will affect community providers of mental health services and both proprietary and not for profit providers of residential treatment programs for children, adolescents and young adults in Illinois and in other states.

- F) Agency contact person for information:

Karl Menninger, II
Bureau of Rules, Policies and Regulatory Review
401 Stratton Building
Springfield, IL 62765
Telephone: (217)782-6702

- G) Related rulemakings and other pertinent information: None.

- K) Part(s) (Heading and Code Citation): Residential Programs for Persons with Mental Illness (59 Ill. Adm. Code 200)

1) Rulemaking:

A) Description:

New Part 200 will pull together in one set of rules the standards and licensure requirements for community residential programs for persons with mental illness.

DEPARTMENT OF MENTAL HEALTH
AND DEVELOPMENTAL DISABILITIES

JULY 1996 REGULATORY AGENOA

B) Statutory Authority: Implementing the Community Services Act (405 ILCS 30) and authorized by Section 5-104 of the Mental Health and Developmental Disabilities Code (405 ILCS 5/5-104 and Section 5 of the Department of Mental Health and Developmental Disabilities Act (20 ILCS 1705/5).

C) Scheduled meeting/hearing date: The Department has not scheduled any hearings on this rulemaking. However, the Department routinely involves the State agencies, such as the Department of Public Aid, and providers of services to individuals with developmental disabilities or mental illness in the development of its rules and amendments to those rules, through the formation of committees on which the providers and other State agencies are represented. In this manner, the public affected by the rulemaking, can actively participate in the rulemaking's development.

D) Date agency anticipates First Notice: December 1996.

E) Affect on small businesses, small municipalities or not for profit corporations? This rulemaking will affect community providers of residential programs for persons with mental illness.

F) Agency contact person for information:

Karl Menninger, II
Bureau of Rules, Policies and Regulatory Review
401 Stratton Building
Springfield, IL 62765
Telephone: (217)782-6702

G) Related rulemakings and other pertinent information: None.

SECRETARY OF STATE

JULY 1996 REGULATORY AGENOA

a) Part(s) (Heading and Code Citation): Regulations under the Business Opportunity Sales Law of 1995 (14 Ill. Adm. Code 135)

1) Rulemaking:

A) Description: Amend definitions, clarify renewal fees, clarify filing procedures, clarify disclosure filing requirements, amend and clarify definitions, amend material requirements, make technical corrections, amend material change reporting requirements, add orders of exemption to fraudulent practices section, clarify filing requirements for exemptions by order, add new section regarding advertising, add new section regarding required financial statements, amend or repeal existing sections in response to industry comment.

B) Statutory Authority: 915 ILCS 602

C) Schedule meeting/hearing date: The specific dates are unknown at this time, but there will be meetings with industry regarding any changes or additions to the rules.

D) Date agency anticipates First Notice: Unknown

E) Affect on small businesses, small municipalities or not for profit corporations: small businesses, small municipalities and/or sale of business opportunities - requiring initial payments of over \$500 will be regulated by proposed rules. The rules will not affect small municipalities or not for profit corporations.

F) Agency contact person for information:
Michael A. Chikmar, Assistant Director
Illinois Securities Department
520 South Second Street, Suite 200
Springfield, Illinois 62701
217/524-8040

G) Related rulemaking and other pertinent information:
Proposed rulemaking under the Illinois Business Brokers Act of 1995 would exempt from that act certain agreements made in compliance with the Jean Brokers Act.

b) Part(s) (Heading and Code Citation): Regulations Under Illinois Loan Brokers Act of 1995 (14 Ill. Adm. Code 145)

1) Rulemaking:

SECRETARY OF STATE

JULY 1996 REGULATORY AGENDA

A) Description: Clarifies existing rules; adds, deletes, or clarifies definitions of terms used in the Loan Brokers Act and the existing rules; and adds new rules or amends existing rules to deal with industry concerns.

B) Statutory Authority: 815 ILCS 175/45-49(a)(1)

C) Schedule meeting/hearing date: Unknown

D) Date agency anticipates first notice: Unknown

E) Affect on small businesses, small municipalities or not for profit corporations: The Department has determined that the proposed rulemaking should simplify compliance by small businesses and should have no impact on not for profit corporations or small municipalities.

F) Agency contact person for information:
Michael A. Chizmar, Assistant Director
Illinois Securities Department
520 South Second Street, Suite 200
Springfield, Illinois 62701
217/524-8040

G) Related rulemaking and other pertinent information:
Proposed rulemaking under the Illinois Business Brokers Act of 1995 would exempt from that Act certain agreements made in compliance with the Loan Brokers Act.

C) Part(s) (Heading and Code Citation): Regulations Under the Illinois Securities Act for the conduct of Hearings by the Illinois Securities Department (14 Ill. Adm. Code 130)

1) Rulemaking:

A) Description: Amends the requirements for the Securities Department's issuance of a Notice of Hearing and the corresponding answer or response; clarifies the requirements for filing an answer to the Securities Department's Notice of Hearing; amends the requirements for motion, a special appearance, and the various forms of motion, and hearing and discovery; clarifies the reasons for open hearings; amends the rule on a request for a bill of particulars; the requirements for obtaining discovery, the rule for pre-hearing conferences, the sequences of events for hearings; adds new section of sanctions for violation of orders.

SECRETARY OF STATE

JULY 1996 REGULATORY AGENDA

B) Statutory Authority: 815 ILCS 5/11(A)

C) Schedule meeting/hearing date: Unknown

D) Date agency anticipates first notice: Unknown

E) Affect on small businesses, small municipalities or not for profit corporations: No direct effect on operations

F) Agency contact person for information:
Michael A. Chizmar, Assistant Director
Illinois Securities Department
520 South Second Street, Suite 200
Springfield, Illinois 62701
217/524-8040

G) Related rulemaking and other pertinent information: This regulation affects administrative legal proceedings.

d) Part(s) (Heading and Code Citation): Regulations Under the Illinois Business Brokers Act of 1995 (14 Ill. Adm. Code 140)

1) Rulemaking:

A) Description: Adds new Sections regarding oral contracts; clarifying registration denial, suspension or revocation; dealing with the powers of the Secretary of State relating to investigating business brokers; clarifying untrue or misleading statements allegedly made by business brokers; and exempting Loan Brokers.

B) Statutory Authority: 815 ILCS 307

C) Schedule meeting/hearing date: The specific dates are unknown at this time, but there will be meetings with industry regarding any changes or addition to the rule(s).

D) Date agency anticipates first notice: Unknown

E) Affect on small businesses, small municipalities or not for profit corporations: The Department has determined that the rules will not affect small municipalities or not for profit corporations, but there may be minimal impact on small businesses.

F) Agency contact person for information:
Michael A. Chizmar, Assistant Director
Illinois Securities Department

SECRETARY OF STATE

JULY 1996 REGULATORY AGENDA

920 South Second Street, Suite 200
Springfield, Illinois 62701
217/541-8040

- G) Related rulemaking and other pertinent information: None
- E) Part(s) (Heading and Code Citation): Issuances of Licenses (92 Ill. Adm. Code 1030)

1) Rulemaking:

- A) Description: To incorporate the administrative actions to follow changes to Sections 6-201 and 11-108, as well as the new Section 6-116.5 of the IVC, to include changes, not the procedures, involving the vision cancellation of driver's license and the addition of definitions to include changes to the procedures involving telescopic lens vision cancellation of driver's licenses; include changes involving restrictions added to driver's licenses; include certain changes to internal procedures through implementation of Motor Voter legislation.

- B) Statutory Authority: 625 ILCS 5/6-909; 625 ILCS 5/6-103(3); 625 ILCS 5/6-116

- C) Schedule meeting/hearing date: None at this time

- D) Date agency anticipates First Notice: August-September, 1996

- E) Affect on small businesses, small municipalities or not for profit corporations: This should not affect small businesses, non-for-profit corporations, or small municipalities.

F) Agency contact person for information:

Mark A. Novak
Assistant Counsel to the Secretary
2701 S. Dirksen Parkway
Springfield, Illinois 62733
217/782-5356

- G) Related rulemaking and other pertinent information: None

- F) Part(s) (Heading and Code Citation): School Bus Driver Permit (92 Ill. Adm. Code 1035)

SECRETARY OF STATE

JULY 1996 REGULATORY AGENDA

1) Rulemaking:

- A) Description: To add definitions, add to the list of offenses, incorporate the federally mandated drug testing program and amend existing rules.

- B) Statutory Authority: Implementing and authorized by Public Act 88-612, effective July 1, 1995.

- C) Schedule meeting/hearing date: None at this time

- D) Date agency anticipates First Notice: September, 1996

- E) Affect on small businesses, small municipalities or not for profit corporations: This should not affect small businesses, non-for-profit corporations, or small municipalities.

F) Agency contact person for information:

Mark A. Novak
Assistant Counsel to the Secretary
2701 S. Dirksen Parkway
Springfield, Illinois 62733
217/782-5356

- G) Related rulemaking and other pertinent information: None
- 9) Part(s) (Heading and Code Citation): Cancellation, Revocation or Suspension of Licenses or Permits (92 Ill. Adm. Code 1040)

1) Rulemaking:

- A) Description: To include language amendments due to the passage of new legislation to include recently enacted legislation to the reviewing procedures relating to personal injury/fatal accident cases as prior alcohol-related suspensions; to eliminate the possibility of revoking a license of a commercial vehicle driver; retitling section, incorporating new definitions and penalties regarding fictitious and fraudulent driver's licenses, permits and identification cards.

- B) Statutory Authority: 625 ILCS 5/6-201(a)(14); 625 ILCS 5/6-300; and Ch. 71, 625 ILCS 5/6-201; 625 ILCS 5/6-206(a)(13) and 11-501.8; 625 ILCS 5/6-301 and 6-700;

- C) Schedule meeting/hearing date: None at this time

SECRETARY OF STATE

JULY 1996 REGULATORY AGENDA

- D) Date Agency anticipates First Notice: July - October, 1996
- E) Affect on small businesses, small municipalities or not for profit corporations: This would not affect small businesses, non-for-profit corporations, or small municipalities.

F) Agency contact person for information:

Mark A. Novak
Assistant Counsel to the Secretary
2701 S. Dirksen Parkway
Springfield, Illinois 62723
217/782-5356

- G) Related rulemaking and other pertinent information: None

h) Part(s) (Heading and Code Citation): Business Corporation Act (14 Ill. Adm. Code 150)

1) Rulemaking:

- A) Description: Rule sets forth information on obtaining the daily list and the fee charged.

B) Statutory Authority: 805 ILCS 5/1.25

- C) Schedule Meeting/hearing date: A hearing will not be scheduled since only minor changes are planned.

D) Date Agency anticipates First Notice: Unknown

- E) Affect on small businesses, small municipalities or not for profit corporations: None

F) Agency contact person for information:

Deane Reynolds
Department of Business Services
330 Howlett Building
Springfield, IL 62756
217/782-9524

- G) Related rulemaking and other pertinent information: None

i) Part(s) (Heading and Code Citation): Revised Uniform Limited Partnership Act (14 Ill. Adm. Code 170)

1) Rulemaking:

SECRETARY OF STATE

JULY 1996 REGULATORY AGENDA

- A) Description: The rule sets forth type of information available, place of information and the requirements of transfer of information updates and the current cost.

B) Statutory Authority: 805 ILCS 210/1103

- C) Schedule meeting/hearing date: No meetings or hearings are known to be scheduled.

D) Date Agency anticipates First Notice: Unknown

- E) Affect on small businesses, small municipalities or not for profit corporations: None

F) Agency contact person for information:

Deane Reynolds
Department of Business Services
330 Howlett Building
Springfield, IL 62756
217/782-9524

- G) Related rulemaking and other pertinent information: None

j) Part(s) (Heading and Code Citation): Illinois State Library, Information Services Division (13 Ill. Adm. Code 3010)

1) Rulemaking:

- A) Description: Revision of the rules to reflect needed updates concerning library stack access, photocopying, circulation of materials, reserves of materials, replacement of lost and/or damaged materials, reference service, and interlibrary loan.

B) Statutory Authority: Implementing and authorized by the State Library Act (15 ILCS 320)

- C) Schedule meeting/hearing date: A hearing will not be scheduled since the changes are not major in scope.

D) Date Agency anticipates First Notice: September, 1996

- E) Affect on small businesses, small municipalities or not for profit corporations: No direct impact

F) Agency contact person for information:

Kathleen L. Bloomery

SECRETARY OF STATE

JULY 1996 REGULATORY AGENDA

Illinois State Library
300 South Second Street
Springfield, IL 62701-1796
217/785-0052
kblcoomb@library.sos.state.il.us

- G) Related rulemaking and other pertinent information: None
- k) Part(s) (Heading and Code Citation): The Illinois Library System Act (23 Ill. Adm. Code 3030)

1) Rulemaking:

- A) Description: Revision of criteria for system membership and updating the citation for the library system accounting manual.
- B) Statutory Authority: Implementing and authorized by the Illinois Library System Act (75 ILCS 10/1)
- C) Schedule meeting/hearing date: A hearing will not be scheduled since the changes are not major in scope.

- D) Date agency anticipates First Notice: October, 1996

- E) Affect on small businesses, small municipalities or not for profit corporations: No direct impact

- F) Agency contact person for information:

Kathleen L. Bloomberg
Illinois State Library
300 South Second Street
Springfield, IL 62701-1796
217/785-0052
kblcoomb@library.sos.state.il.us

- G) Related rulemaking and other pertinent information: None

- l) Part(s) (Heading and Code Citation): Public Library Construction Grants (23 Ill. Adm. Code 3060)

1) Rulemaking:

- A) Description: Revise the citation for published Illinois Library Association standards for public libraries; add a definition for a library building community; define criteria for special grants with different matching requirements; and define eligibility for grants for joint

SECRETARY OF STATE

JULY 1996 REGULATORY AGENDA

use facilities.

- B) Statutory Authority: Implementing Section 3 of the Capital Development Bond Act of 1972 (30 ILCS 420/3) and authorized by Sections 3 and 9 of the Illinois Library System Act (75 ILCS 10/3 and 8)

- C) Schedule meeting/hearing date: A hearing will not be scheduled since the changes are not major in scope.

- D) Date agency anticipates First Notice: September, 1996

- E) Affect on small businesses, small municipalities or not for profit corporations: No direct impact

- F) Agency contact person for information:

Kathleen L. Bloomberg
Illinois State Library
300 South Second Street
Springfield, IL 62701-1796
217/785-0052
kblcoomb@library.sos.state.il.us

- G) Related rulemaking and other pertinent information: None

- m) Part(s) (Heading and Code Citation): Electronic Filing of Documents (23 Ill. Adm. Code 563-New Part)

1) Rulemaking:

- A) Description: Authorizes the Secretary of State to accept the electronic filing of documents.

- B) Statutory Authority: Senate Bill 1465, which is expected to be signed by the Governor. The Secretary of State will not promulgate rules if the bill is not signed.

- C) Schedule meeting/hearing date: Unknown

- D) Date agency anticipates First Notice: Unknown

- E) Affect on small businesses, small municipalities or not for profit corporations: Will permit documents to be filed electronically with the Secretary of State.

- F) Agency contact person for information:

Carol Sudman
Assistant Counsel

SECRETARY OF STATE

JULY 1996 REGULATORY AGENDA

298 Howlett Building
Springfield, Illinois 62706
217/785-2094

- G) Related rulemakings and other pertinent information: None

- n) Part(s) (Heading and Code Citation): Not yet assigned

1) Rulemaking:

A) Description:

- 1) A rule to set forth the requirements for the exchange of a salvage certificate for a clean certificate of title for recovered theft vehicles.
 - 2) Rules to set forth fees for the submission of tow information requests and information fees using electronic means of transmittal of documents. These will encompass fees for a payment by credit card or payment for submission by facsimile or other electronic method, c) record search.
 - 3) Rules to establish procedures for the use of tow companies to request and receive electronically information on vehicles towed in which notification to the owner/lienholder is required.
- B) Statutory Authority:
- 625 ILCS 5/3-118.1, 821.1 and 4-205
- C) Scheduled meeting/hearing dates: unknown
- D) Date agency anticipates First Notice: unknown
- E) Affect on small businesses, small municipalities or not for profit corporations: no analysis available at this time
- F) Agency Contact Person for Information:

Robert E. Powers
Assistant Counsel
Secretary of State's Office
298 Howlett
Springfield, Illinois 62706

SECRETARY OF STATE

JULY 1996 REGULATORY AGENDA

- G) Related rulemakings and other pertinent information: none

JOINT COMMITTEE ON ADMINISTRATIVE RULES
ILLINOIS GENERAL ASSEMBLY

SECOND NOTICES RECEIVED

The following second notices were received by the Joint Committee on Administrative Rules during the period of June 25, 1996 through July 1, 1996 and have been scheduled for review by the Committee at its July 23, 1996 meeting. Other items not contained in this published list may also be considered. Members of the public wishing to express their views with respect to the above items should submit written comments to the Committee at the following address: Joint Committee on Administrative Rules, 700 Stratton Bldg., Springfield, IL 62756.

Second Notice Expires	Start of First Notice	Agency and Rule	JCAB Meeting
8/9/96	4/5/96 20 Ill Reg 5326	Office of Banks and Real Estate, Hearings for Removal of Directors, Officers, Employees or Agents of a State Bank (39 Ill Adm Code 900)	7/23/96
8/9/96	5/10/96 20 Ill Reg 6372	Secretary of State, Certificates of Title, Registration of Vehicles (92 Ill Adm Code 110)	7/23/96
8/9/96	4/12/96 20 Ill Reg 5440	Department of Public Aid, Food Stamps (89 Ill Adm Code 121)	7/23/96
8/9/96	4/13/96 20 Ill Reg 5434	Department of Public Aid, Developmental Disabilities Services (89 Ill Adm Code 144)	7/23/96
8/9/96	5/3/96 20 Ill Reg 6093	Department of Natural Resources, The Taking of Wild Turkeys - Fall Gun Season (17 Ill Adm Code 715)	7/23/96
8/9/96	5/3/96 20 Ill Reg 6086	Department of Natural Resources, The Taking of Wild Turkeys - Fall Archery Season (17 Ill Adm Code 720)	7/23/96
8/10/96	5/3/96 20 Ill Reg 6079	Department of Natural Resources, Peccary, Opossum, Striped Skunk, Red Fox, Gray Fox, Coyote and Woodchuck (Groundhog) Hunting (17 Ill Adm Code 550)	7/23/96

JOINT COMMITTEE ON ADMINISTRATIVE RULES
ILLINOIS GENERAL ASSEMBLY

SECOND NOTICES RECEIVED

8/10/96	4/26/96 20 Ill Reg 5986	Department of Public Aid, Food Stamps (89 Ill Adm Code 121)	7/23/96
8/10/96	4/12/96 20 Ill Reg 5148	Department of Public Aid, Medical Payment (89 Ill Adm Code 140)	7/23/96
8/14/96	5/3/96 20 Ill Reg 6101	State Board of Education, Special Education (23 Ill Adm Code 226)	7/23/96
8/14/96	3/15/96 20 Ill Reg 4224	Department of Natural Resources, Bonding and Insurance Requirements for Surface Coal Mining and Reclamation Operations (62 Ill Adm Code 1800)	7/23/96
8/14/96	10/20/95 13 Ill Adm 14516	Pollution Control Board, Solid Waste Disposal: General Provisions (35 Ill Adm Code 810)	7/23/96
8/14/96	10/13/95 19 Ill Reg 14260	Pollution Control Board, Alternative Standards for New Utility Waste Landfills (35 Ill Adm Code 815)	7/23/96
8/14/96	10/13/95 13 Ill Reg 14280	Pollution Control Board, Solid Waste (35 Ill Adm Code 807)	7/23/96
8/14/96	10/13/95 13 Ill Adm 14286	Pollution Control Board, Standards for New Solid Waste Landfills (35 Ill Adm Code 811)	7/23/96

PROCLAMATIONS

96-302

CLARK COUNTY FAIR WEEK (REVISED)

Whereas, the 100th annual Clark County Fair will be held June 22-29, 1996, and during this week, the public will be able to enjoy a Fair Queen contest, horse and animal entertainment, a plant, animal, and craft exhibit, and contests where the fair draws back to July 16, 1997, and has been held at various locations throughout the county; and

Whereas, the fair provides a way for citizens to come together to celebrate their community and fellowship and also serves as a sound tradition for Clark County; and

Whereas, it is right and proper to acknowledge the history of the Clark County Fair;

Therefore, I, Jim Edgar, Governor of the State of Illinois, proclaim June 22-29, 1996, as CLARK COUNTY FAIR WEEK in Illinois.

Issued by the Governor June 14, 1996.

Filed by the Secretary of State June 28, 1996.

96-307

1996 WOMEN'S BASKETBALL WEEKEND

Whereas, the Chicago Women's All-Star Basketball Classic, Young Talented Women, and the Basketball To The Next Level will be played on Sunday, June 30, 1996, at the Genesis Convention Center in Gary, Indiana; and

Whereas, the classic will feature 28 of the top graduated seniors in the country who have made an impact on the sport of basketball; and

Whereas, Ms. Sandia Rountree, an NCAA player of the Year from the University of Georgia, will lead the All-Stars;

Therefore, I, Jim Edgar, Governor of the State of Illinois, proclaim June 27-30, 1996, as 1996 WOMEN'S BASKETBALL WEEKEND in Illinois.

Issued by the Governor June 19, 1996.

Filed by the Secretary of State June 28, 1996.

96-308

DR. SOKONI KARANJA/CENTER FOR NEW HORIZONS MONTH

Whereas, Dr. Sokoni Karanja received a B.A. in Psychology from Vaeshburn University, three masters degrees in Technical, Psychological, and Community Planning, and a Ph.D. in Urban Planning and Economics from Brandeis University; and

Whereas, Dr. Karanja lived and worked in Tanzania, East Africa, for two years and studied children and adult education, economic development and the concept of self reliance; and

Whereas, in 1971 Dr. Karanja founded Centers for New Horizons, Inc., a culture-based education and economic development organization in Chicago; and

Whereas, the center's mission is to develop the capacities of families to become more self-reliant, to improve the quality of their lives, and to participate in the revitalization of their community; and

Whereas, the center provides services to more than 2,000 children and

families per day with a staff of only 235; and

Whereas, Dr. Sokoni Karanja was honored at the 25th anniversary for the Centers for New Horizons, TRACES '96, on Thursday, June 13, 1996, at the Field Museum of Natural History, Chicago, Illinois, Governor of the State of Illinois, proclaim June 1996 as DR. SOKONI KARANJA/CENTER FOR NEW HORIZONS MONTH in Illinois.

Therefore, I, Jim Edgar, Governor of the State of Illinois, proclaim June 19, 1996, as the Governor June 19, 1996.

Filed by the Secretary of State June 28, 1996.

96-309

FOX RIVER TROLLEY CENTENNIAL WEEKEND

Whereas, the Fox River Valley will celebrate the 100th anniversary of their historic railroad and the 30th anniversary of the Fox River Trolley Museum; and

Whereas, the Museum's Aurora Elgin and Fox River Electric line is a living remnant of the first direct rail link between Elgin and Aurora;

Whereas, from 1935 to 1966, this railway was solely used for freight serving local industries and the Elgin State Hospital and then was used for museum public operations; and

Whereas, it has been owned by the museum since 1972; and

Whereas, the volunteer-operated museum has given 50 Sundays and holidays from Monday's day until early November and Saturdays from late June until Labor Day; and

Whereas, the railroad has been the subject of two volumes of a recent four-volume treatise on the Valley's electric railways; and

Whereas, long-range goals include the construction of a Visitor's Center, a Display Building, a Restoration Building, and the construction of an extension into the Blackhawk Forest Preserve;

Therefore, I, Jim Edgar, Governor of the State of Illinois, proclaim June 29-30, 1996, as FOX RIVER TROLLEY CENTENNIAL WEEKEND in Illinois.

Issued by the Governor June 19, 1996.

Filed by the Secretary of State June 28, 1996.

96-310

LICENSED ENVIRONMENTAL HEALTH PRACTITIONERS WEEK

Whereas, the Illinois Environmental Health Association represents licensed environmental health practitioners throughout the State of Illinois; and

Whereas, licensed environmental health practitioners, trained in biological and sanitary sciences, examine all aspects of the physical, social, environment, define and report environmental conditions, and recommend improvements; and

Whereas, practitioners serving in industry and in the field of public health are concerned with the education and inspection necessary to maintain the safe processing and distribution of food, clean housing, vector control, radiological health, and minimum environmental pollution; and

Whereas, the National Environmental Health Association will be holding its Annual Education Conference June 30 - July 3, 1996, in Chicago;

Therefore, I, Jim Edgar, Governor of the State of Illinois, proclaim June 30 - July 3, 1996, as LICENSED ENVIRONMENTAL HEALTH PRACTITIONERS WEEK in Illinois.

ILLINOIS PARALEGAL ASSOCIATION AND PARALEGAL/LEGAL ASSISTANT DAY

Whereas, paralegals aid in the efficient delivery of legal service to the public; and

Whereas, the Illinois Paralegal Association, the first professional paralegal organization in Illinois, was established in November of 1972 in response to the growing need for an organized professional association for paralegals; and

Whereas, the Illinois Paralegal Association promotes and maintains high standards in the paralegal profession and offers and encourages continuing education for paralegals; and

Whereas, October 29, 1996, will mark the celebration of the 24th anniversary of the Association; and

Therefore, I, Jim Edgar, Governor of the State of Illinois, proclaim October 29, 1996, as **ILLINOIS PARALEGAL ASSOCIATION AND PARALEGAL/LEGAL ASSISTANT DAY** in Illinois.

Issued by the Governor June 20, 1996.

Filed by the Secretary of State June 28, 1996.

96-316

CHILD SUPPORT AWARENESS MONTH

Whereas, we in Illinois recognize that our children are our future and their well-being is our highest priority; and

Whereas, Illinois is committed to ensuring that all our children receive the support of both parents, their extended families and their communities so that they can grow up in a nurturing environment; and

Whereas, the Department of Public Aid, Division of Child Support Enforcement, has been charged with the responsibility of providing child support services to all Illinois families; and

Whereas, the Department of Public Aid is working with other state agencies and institutions to increase the number of children for whom paternity is established and to vigorously enforce the collection of child support payments for Illinois families; and

Whereas, we in Illinois have taken the lead in many child support initiatives to help families gain independence through welfare reform;

Therefore, I, Jim Edgar, Governor of the State of Illinois, proclaim August 1996 as **CHILD SUPPORT AWARENESS MONTH** in Illinois.

Issued by the Governor June 21, 1996.

Filed by the Secretary of State June 28, 1996.

96-317

WILLIAM J. VERMETTE COMMEMORATED

Whereas, William J. Vermette has served The Peoples Gas, Light and Coke Company, the Mid-America Gas Council, and the natural gas industry with distinction in a career spanning more than 40 years; and

Whereas, the Peoples Gas, Light and Coke Company is a significant resource and a vital component of the Illinois economy; and

Whereas, Illinois is proud of the partnerships it has developed with the private sector and business community; and

Whereas, William J. Vermette, Manager of Economic Development,

Conservation and Market Services, has consistently discharged his duties and responsibilities with the highest standards of integrity and competence, and research and enthusiasm, earning the respect of his many friends and colleagues; and

Whereas, William J. Vermette retired on May 24, 1996, after 41 years of service;

Therefore, I, Jim Edgar, Governor of the State of Illinois, commend William J. Vermette for his many years of support to the Economic Development and Business Development efforts of the State of Illinois and the business community at large.

Issued by the Governor June 24, 1996.

Filed by the Secretary of State June 28, 1996.

96-318

OSTRICH AWARENESS WEEK

Whereas, Illinois Chapter of the American Ostrich Association (ICAOA) is a non-profit organization founded in 1977 and is currently comprised of approximately 3,000 members in the Ostrich Association; and

Whereas, the Ostrich Association consists of approximately 3,000 members in the Ostrich Association in Fort Worth, Texas, and raises an estimated 500,000 birds; and

Whereas, ICAOA includes more than 200 farmers and 10,000 ostriches; and

Whereas, ICAOA will celebrate Ostrich Awareness Week; and

Whereas, the event will provide information about the status of the Illinois Ostrich business,atching and incubation, the status of the current breeder market and the unfolding of the commercialization of the Illinois raised ostrich;

Therefore, I, Jim Edgar, Governor of the State of Illinois, proclaim July 28-August 3, 1996, as **OSTRICH AWARENESS WEEK** in Illinois.

Issued by the Governor June 25, 1996.

Filed by the Secretary of State June 28, 1996.

96-319

ROBERT MAGILL COMMEMORATED

Whereas, Robert Magill, the proud father of eight children, has been a lifelong Republican; and

Whereas, during his lifetime, he has made many notable accomplishments; and

Whereas, he valiantly served during World War II as a Lieutenant Commander on the Alabama and the USS Missouri and he was present the day the peace treaty was signed; and

Whereas, he also served as a probation officer in Sangamon County and was elected to the Sangamon County Board; and

Whereas, he is active in his church and the community and is president of the Kiwanis and the Sangamon County Bar Association; and

Whereas, he celebrated his 50th year as an attorney on May 16, 1996;

Therefore, I, Jim Edgar, Governor of the State of Illinois, commend ROBERT MAGILL for his service to the United States of America and to the State of Illinois;

by the Governor June 25, 1996.

Filed by the Secretary of State June 28, 1996.

96-320

WARREN L. WALKERSTEIN COMMEMORATED

Whereas, the first printing was done in the American colonies in 1639; and

Whereas, the craft of printing has played a vital role in the rich history of Illinois; and

Whereas, Illinois and its citizens have benefited economically from the printing and publishing industries; and

Whereas, such notable Americans as Isaiah Thomas, Benjamin Franklin, Otto Mergenthaler, and Samuel Clemens devoted time to the printing craft; and

Whereas, Warren L. Walkenstein is recognized among his peers as the leading book production person in the printing and publishing industry of the United States;

Therefore, I, Jim Edgar, Governor of the State of Illinois, commend WARREN L. WALKERSTEIN for his contribution to Americans during the past 37 years.

Issued by the Governor June 26, 1996.

Filed by the Secretary of State June 28, 1996.

96-321

AMERICAN FAMILY INSURANCE RECOGNITION DAY

Whereas, the well-being of the family is the cornerstone to a great society and it is vital that business include human issues in pursuit of corporate goals; and

Whereas, within the State of Illinois, more than 2,921,880 families are in need of adequate, reasonably priced and comprehensive health and property protection; and

Whereas, family well-being includes economic stability and family member development; and

Whereas, families can only be as strong and secure as the environments in which they exist; and

Whereas, the rapidly changing demographics of America and Illinois demand innovative solutions and remedies to family issues;

Therefore, I, Jim Edgar, Governor of the State of Illinois, proclaim July 2, 1996, as AMERICAN FAMILY INSURANCE RECOGNITION DAY in Illinois in conjunction with the Taste of Chicago and commend American Family Insurance for its aggressive pro-family business perspective, statewide expansion creating jobs and incremental business for citizens in Illinois, and its support of coalitions and municipalities throughout the state.

Issued by the Governor June 26, 1996.

Filed by the Secretary of State June 28, 1996.

96-322

CONSULTING ENGINEERS COUNCIL OF ILLINOIS

Whereas, the Consulting Engineers Council of Illinois is an organization of consulting engineers, architects, planners, practicing civil, electrical, mechanical, environmental and structural engineers, and designers; and

Whereas, bridges, buildings, water treatment plants and other quality infrastructure for the citizens of Illinois; and

Whereas, the Consulting Engineers Council of Illinois and its member firms are the most efficient, innovative, knowledgeable and skills in creative and innovative ways to fulfill society's needs; and

Whereas, the member firms of the Consulting Engineers Council of Illinois have worked in many areas, from towns rebuilt after natural disasters to the construction of superhighways, which have a significant impact on the quality of life and economic climate of the state; and

Whereas, the Consulting Engineers Council of Illinois and its member firms exist for the mutual benefit of its members and constituents; and

Whereas, the Consulting Engineers Council of Illinois and its member firms are an important factor in the development and growth of the State of Illinois; and

Whereas, the Consulting Engineers Council of Illinois was founded in 1921;

Therefore, I, Jim Edgar, Governor of the State of Illinois, commend the CONSULTING ENGINEERS COUNCIL OF ILLINOIS on their 75th Anniversary for their dedication and hard work and offer my best wishes for continued success.

Issued by the Governor June 26, 1996.

Filed by the Secretary of State June 28, 1996.

96-323

HUDSON FAMILY REUNION WEEKEND

Whereas, Horace Hudson was born in the late 1700's on a plantation in Mississippi; and

Whereas, as a young man, Horace married his sweetheart, Hettie Prince in the year of 1812; and

Whereas, from this union, 11 children and 83 grandchildren were born; and

Whereas, there are many great grandchildren and great great grandchildren, descendants of Horace and Hettie Hudson, living throughout the United States; and

Whereas, there are 11 families descending from Horace and Hettie Hudson living within the State of Illinois in the communities of Belleville, Bellevue, Bloomington, Calumet Park, Carbondale, Centerville, Champaign, Chicago, Dalton, East St. Louis, Forest Park, Maywood, Murphysboro, Riverdale, Rock Island, and Utana;

Whereas, these numerous descendants have made positive contributions to their churches, careers, and chosen professions, communities, states, and country as well as to the Hudson Family; and

Whereas, on July 12-14, 1996, the descendants and heirs of Horace and Hettie Hudson will be celebrating their heritage with a Hudson Family Reunion in the East St. Louis/Collinsville area of Illinois;

Therefore, I, Jim Edgar, Governor of the State of Illinois, proclaim July 12-14, 1996, as HUDSON FAMILY REUNION WEEKEND in Illinois in honor of the Hudson Family's 7th Biennial Reunion.

Issued by the Governor June 26, 1996.

Filed by the Secretary of State June 28, 1996.

96-324

PARALYZED VETERANS OF AMERICA WEEK

Whereas, the Paralyzed Veterans of America is a highly respected

organization of disabled military veterans and disability advocates; and Whereas, PVA has focused on rehabilitation of spinal cord injured veterans, creating spinal cord centers, securing benefits for discharged veterans, and accessible housing, transportation, education and prosthetic aids for independent living; and

Whereas, PVA has established both the National Paraplegia Foundation and the PVA Technology and Research Foundation to assist in the care, treatment and rehabilitation of persons with spinal cord injuries; and Whereas, the first chapter of the national PVA was the Vaughn Chapter started at the University of Illinois at Urbana-Champaign; and Whereas, this distinguished service organization for veterans is holding its 50th anniversary national convention July 21-27, 1996, in Chicago;

Therefore, I, Jim Edgar, Governor of the State of Illinois, proclaim July 21-27, 1996, as PARALYZED VETERANS OF AMERICA WEEK in Illinois.

Issued by the Governor June 26, 1996.

Filed by the Secretary of State June 28, 1996.

Rules acted upon during the quarter of April 1 through June 30, 1996 are listed in the Issues Index by Title number, Part number and Issue number. For example, 50 Ill. Adm. Code 952 published in Issue 2 will have as 50-952-2. Inquiries about the Issues Index may be directed to the Administrative Code Division at 217-782-4414 or jastan@ogc.state.il.us (Internet address).

PROPOSED

2-565-23	44-1-13	89-110-28	11-1320-16	32-601-20
8-40-28	50-1001-14	89-112-17,26	11-1431-16	32-211-23
8-43-28	56-2600-22	89-115-15	14-135-24	32-212-23
8-85-28	56-2625-24	89-121-15,17	14-140-24	35-276-26
8-105-28	59-101-21	89-140-15,28	14-145-24	35-302-23
8-110-28	59-238-27	89-144-15,21	14-150-20	35-307-15
8-113-28	68-1175-28	89-148-28	14-160-20	35-309-15
8-125-20	68-128-19	89-152-28	14-170-20	35-310-15
8-131-17	68-130-15	89-158-28	14-178-20	35-809-15
11-502-26	68-1320-15	89-160-16	17-180-20	35-110-16
11-510-24	68-1360-20	89-170-17	17-180-20	38-190-16
11-1403-26	68-3100-15	89-240-14,20	17-210-20	38-205-16
11-1770-25	77-100-25	89-356-28	17-450-22	44-1-28
17-530-22	77-590-25	89-385-14	17-670-20	44-10508-20
17-550-18	77-594-25	89-401-14	17-1090-20	47-110-24
17-570-17	77-492-25	89-402-14	17-1538-16	50-916-20
17-590-24	77-1190-28	89-403-14	17-2030-24	50-2008-19
17-680-17	77-2056R-21	89-404-14	20-103-25	50-2017-26
17-683-22	77-2057-21	89-405-14	20-107-20	50-2801-16
17-690-17	77-2058R-21	89-406-14	20-801-20	50-6302-16
17-715-18	80-130-28	89-408-14	20-1280-24	56-250-19
17-720-18	80-110-14,15	89-410-14	20-1282-24	56-330-21
17-730-17	80-130-14,15	89-462-14	20-1320-25	56-2520-18
17-740-17	83-157-24	89-468-14	20-1770-28	56-2725-19
17-7650-20	83-761-26	89-473-14	20-1810-24	59-3003-24
23-1-26	83-762-26	89-827-25	23-1400-18	59-3005-24
23-226-18	83-763-26	89-830-26	23-1700-28	59-411-15
23-275-27	83-764-26	92-10-21	23-2720-28	68-6008-15
23-252-27	86-100-17,25	92-556-20	23-2730-28	68-1150-24
23-450-28	86-110-21,22	92-1010-15,19	23-2735-28	68-1270-16
23-2310-15	86-130-15,16,24,	92-1020-15	23-2755-28	68-1283-24
23-2721-24	27,28		23-2765-28	68-1320-28
23-3060-15	86-140-27		23-2768-28	68-1390-19
23-301R-25	89-160-27		23-2762-28	68-1400-24
32-301-25	86-470-25		23-2763-28	68-1450-19
35-184-15	86-500-14		23-2764-28	68-1455-19
35-310-18	86-600-14		23-2765-28	77-475-20
35-318-18	86-670-25		23-2770-28	77-598-17
35-311-18	86-670-25		23-2771-28	77-670-22
38-113-18	86-700-28		23-2772-28	77-692-22
38-130-16	86-3000-24		23-3040-16	77-1400-16
38-900-14	89-102-23		32-330-20	77-1400-16
41-140-25	89-104-28		32-505-19	77-3100-28

ADOPTED

2-1350-20	2-1350-20
2-2075-22	2-2075-22
2-2500-21	2-2500-21
2-2501-21	2-2501-21
8-281-15	8-281-15
8-283R-15	8-283R-15
8-508R-15	8-508R-15
11-208-24	11-208-24
11-208-24	11-208-24
11-321-16	11-321-16
11-408-24	11-408-24

80-310-25,27,28	92-179-19
80-1200-21	92-180-19
80-1210-21	92-1001-25
80-1220-21	92-1070-24
80-1540-24	
80-2800-21	EMERGENCY
80-2830R-24	8-85-19
80-3000-21,28	23-650-18,27
83-441-28	23-2721-24
83-725R-14	32-301-25
83-725-14	56-2320-13
84-1050-14	77-492-25
86-130-14,20,28	80-1050-14
86-140-14,20	83-761-26
86-150-20	83-763-26
86-160-20	86-110-22
86-750-28	86-3000-24
86-1201-24	89-140-28
86-3000-16,18	89-144-21
89-104-15	89-148-28
89-112-15,17,19,24	89-152-28
89-117-15	89-153-28
89-121-24	89-240-14
89-140-16,20,	89-356-28
24,28	92-1001-28
89-1450-20,28	92-1030-25
89-147-20	
89-148-24	PEREMPT.
89-160-15	80-310-18,21
89-170-15,17,19	
89-240-28	
89-301-28	
89-302-20	
89-305-28	
89-335-24	
89-510-26	
89-572-18	
89-590-18,	
89-590R-19	
89-676-18	
89-679-18	
89-682-18	
89-693R-18	
92-171-19	
92-171-19	
92-172-19	
92-173-19	
92-177-19	
92-178-19	

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